

THE FUTURE OF THE NORTH ATLANTIC TREATY ORGANIZATION (NATO)

HEARING BEFORE THE COMMITTEE ON ARMED SERVICES UNITED STATES SENATE ONE HUNDRED SEVENTH CONGRESS SECOND SESSION

FEBRUARY 28, 2002

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THE FUTURE OF THE NORTH ATLANTIC TREATY ORGANIZATION (NATO)

THURSDAY, FEBRUARY 28, 2002

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, DC.

The committee met, pursuant to notice, at 9:35 a.m. in room SH-216, Hart Senate Office Building, Senator Carl Levin (chairman) presiding.

Committee members present: Senators Levin, Lieberman, Landrieu, Reed, E. Benjamin Nelson, Warner, McCain, Inhofe, Roberts, and Sessions.

Committee staff member present: David S. Lyles, staff director.

Majority staff members present: Richard D. DeBobes, counsel; and Michael J. McCord, professional staff member.

Minority staff members present: Judith A. Ansley, Republican staff director; Edward H. Edens IV, professional staff member; and George W. Lauffer, professional staff member.

Staff assistants present: Dara R. Alpert, Daniel K. Goldsmith, Jennifer Key, Thomas C. Moore, and Nicholas W. West.

Committee members' assistants present: Frederick M. Downey, assistant to Senator Lieberman; Jeffrey S. Wiener, assistant to Senator Landrieu; Elizabeth King, assistant to Senator Reed; Peter A. Contostavlos, assistant to Senator Bill Nelson; Eric Pierce, assistant to Senator Ben Nelson; Brady King, assistant to Senator Dayton; Benjamin L. Cassidy, assistant to Senator Warner; Christopher J. Paul, assistant to Senator McCain; George M. Bernier III, assistant to Senator Santorum; Robert Alan McCurry, assistant to Senator Roberts; Douglas Flanders and Charles Cogar, assistants to Senator Allard; James P. Dohoney, Jr., assistant to Senator Hutchinson; Arch Galloway II, assistant to Senator Sessions; and Derek Maurer, assistant to Senator Bunning.

OPENING STATEMENT OF SENATOR CARL LEVIN, CHAIRMAN

Chairman LEVIN. Good morning, everybody. The committee meets this morning to receive testimony on the future of the North Atlantic Treaty Organization (NATO). In just 9 months, NATO heads of state and government will meet in Prague to make a decision on enlargement of the Alliance and to focus on a number of other crucial areas.

In our invitation letters to the witnesses, Senator Warner and I asked them to comment on NATO enlargement issues; on the role of NATO in the global fight against terrorism; the organizational and transformational changes, if any, that NATO needs to make;

the technological and capabilities gap that has developed between the United States and the other members and how that gap should be addressed; the NATO-Russia relationship and how the "NATO at 20" concept should be implemented; how an enlarged NATO could function effectively as a military organization; and any other issues that our witnesses consider relevant to the future of NATO.

Depending on whom you talk to, NATO's glass is either half-full or half-empty. Some on both sides of the Atlantic have raised concerns about the future roles and missions of NATO and NATO's relevance in the post-September 11 world. Some have even cited NATO's invocation of Article V for the first time in its history and the numerous offers by NATO members to participate in the U.S.-led Operation Enduring Freedom in Afghanistan as a factor demonstrating NATO's weakness because the United States has not seen fit to take up most of those offers.

I am reminded of a statement by NATO Secretary General Lord Robertson upon the conclusion of the meeting of NATO's heads of state and government in June of last year that: "NATO's credibility is its capability." He made that statement to exhort the Alliance's European members to spend more wisely on defense. That exhortation has not borne fruit, because Lord Robertson said publicly last month: "The truth is that Europe remains a military pygmy."

To put the issue in some context, the \$48 billion annual increase requested by President Bush for the defense budget constitutes 150 percent of the total defense spending of the United Kingdom or France, the next largest NATO member states' defense budgets after the United States.

I must admit that I am from the glass is half-full camp. I am a strong supporter of NATO, the most successful alliance in the history of the world. NATO successfully deterred an attack by the former Soviet Union and also, very importantly, helped to keep the peace among the nations of Western Europe for 5 decades.

In recent years, NATO forces fired shots in anger for the first time in its history and brought a negotiated end to the conflict in Bosnia. NATO conducted an air war against Serbian security forces and reversed ethnic cleansing for the first time in history. Even though the United States carried out the bulk of the Kosovo air campaign, I believe it was the moral strength and cohesion of 19 sovereign nations that led to the successful conclusion of the conflict.

At the present time, the Alliance is conducting three peacekeeping operations in the Balkans: Bosnia, Kosovo, and Macedonia. The Europeans are providing the bulk of the forces for these operations and the overwhelming majority of the civil assistance and financial support for those countries. Pursuant to NATO's invocation of Article V in response to the horrendous terrorist attacks on the United States on September 11, NATO airborne early warning aircraft were deployed to patrol the skies over America and NATO's standing naval forces were deployed to the eastern Mediterranean at the United States' request.

But the fact remains that NATO must address a number of crucial issues no later than the November Prague summit.

Today we begin our consideration of all of these issues with three administration witnesses. I want to welcome Under Secretary of

State for Political Affairs, Marc Grossman; Under Secretary of Defense for Policy, Doug Feith; and the Commander in Chief, U.S. European Command, and NATO's Supreme Allied Commander-Europe, General Joe Ralston. It is good to have all three of you before us again.

Before I call on Senator Warner, I want to extend a warm welcome to Rudolph Petan, who is the Chairman of the Committee for Defense of the National Assembly of the Republic of Slovenia. I am wondering, if he is in the room, whether he would stand and be recognized.

It is nice to have you with us. We understand your ambassador is also with you and there may be some other ambassadors from other countries who are with us here today. I do not know all of them. I wonder if all the ambassadors who are here would please stand and be recognized. Nice to have you all with us.

I wonder if you could tell us what countries you are from, please.

Romanian Ambassador. Romania.

Slovenian Ambassador. Slovenia.

Lithuanian Ambassador. Lithuania.

Chairman LEVIN. Nice to have you all.

Senator Warner, let me first thank you for pressing the urgency of this hearing. It is a very important hearing, as you have pointed out to me, and I am delighted now to call upon you.

STATEMENT OF SENATOR JOHN WARNER

Senator WARNER. Thank you, Mr. Chairman. Mr. Chairman, I commend you on your statement. I will ask that my entire statement be placed in the record, along with the statement of Senator Thurmond, and I shall give portions of it now.

I begin by stating, consistent with your opening statement, that our comments are not to be interpreted in any way other than with the greatest respect for NATO and our constructive concern with regard to its future. I want to make that very clear. I have been singled out as a critic since I took a strong stance during the last debate about NATO expansion. I hope not to take that stance in the future and will do so only if I believe that those steps have to be taken here in the Senate.

I asked the chairman to schedule this hearing because I would not desire to see the Senate faced with a *fait accompli* some time late next year, and we have to just simply say a yes or a no. This committee authorizes, and the Appropriations Committee appropriates, enormous sums of money for NATO. I feel that Congress should be a partner that is consulted, particularly this year when we are going to consider the enlargement issue.

I hope our two witnesses, Secretary Grossman and Secretary Feith, can assure this committee, Congress, and most particularly the Senate, given its advise and consent role with regard to treaties and international agreements, that we will be made a partner in the consultations and the deliberations with regard to the expansion issues and any change with regard to the missions of NATO.

With that in mind, I now pose several questions at the outset. I join the chairman in asking: What is the future role and mission of NATO in a world where threats to NATO members are now non-

state in many respects, in the form of terrorism, through global syndicates and organizations, and other threats that were never envisioned at the time the NATO charter was drawn up?

The question is: Is NATO beginning to equip itself with regard to these new threats? General, I hope you can comment on that. You have observed, as have others in your position, the magnificent performance of our forces, the forces of Great Britain and other nations in the Afghan region. The special operations teams—15, 20-member teams, highly trained to go in and perform a mission—which the chairman and I observed in our visit to that region in November are a perfect example.

Now, that is something that NATO should begin to envision. No longer are we faced with one division up, one division in reserve. That type of warfare is most unlikely. I am not saying that it should be totally eliminated from your operational plans, but it is most unlikely. This type of operation capability that we have witnessed in Afghanistan would be needed by NATO if it were to be engaged to repel these global threats of terrorism.

The chairman referred to the technological gap. It is growing and it is of great concern. You quoted Secretary General Robertson. I would like to give a little larger quote. We know Lord Robertson very well. The chairman, members of this committee, and I have met with him regularly when he was the Defense Minister for the United Kingdom. He has done a brilliant job, I think, in his role as Secretary General. Let me quote him: "The United States must have partners who can contribute their fair share to operations which benefit the entire European Atlantic community. But the reality is . . . hardly any European country can deploy usable and effective forces in significant numbers outside their borders and sustain them for months or even years, as we all need to do today. For all Europe's rhetoric and annual investment of over \$140 billion by NATO's European members, we still need U.S. help to move, command, and provision a major operation. American critics of Europe's military incapability are right. So, if we are to ensure that the United States moves neither towards unilateralism nor isolationism, all European countries must show a new willingness to develop effective crisis management capabilities."

I know of no initiative here in the Senate towards any unilateralism or isolationism. I do not know how he selected those rather strong words. But we have an obligation to our taxpayers in the country who are contributing significant sums, and to the men and women in uniform who are posted to the NATO commands, to make sure that this remains a viable organization and is worthy of our contributions.

History reflects the importance of the U.S. presence on the European continent. There may be old jealousies and animosities, but we have, as a Nation, kept a steady hand to reconcile differences between those countries that go back for generations. I think they recognize that and that we wish to remain a partner—not a big brother, a partner—in this operation.

Now, as to the potential future enlargement, we welcome the ambassadors and others who will be following the proceedings in the Senate. I fully appreciate and respect the desire of your nations to

be assessed as fairly and objectively as possible as this question of enlargement comes up.

I think we have to step back and say, is it really time to move forward with any significant enlargement when internally we recognize certain problems, from equipment to missions? Would it not be better just to let this round pass by, take our house and put it in order, and then begin to look to the future for such enlargement as we feel is necessary?

My concerns with NATO expansion have not changed substantially since the full Senate last debated the issue in 1998 because, if anything, the problems revealed by the Kosovo operation in 1999 have increased my apprehension about the future rounds. I start from the basic premise that NATO is first and foremost a military alliance. That is why NATO was founded. That is why it continues today. Nations should be invited to join NATO only if there is a compelling military, not political, rationale for additional members and only if those additional members will make a positive military contribution to the Alliance.

In my view that case has yet to be made for the nine nations currently seeking consideration. We must always keep in mind that any country joining NATO will be extended the protection of Article V of the NATO charter, which states: "An armed attack against one or more of them in Europe or North America shall be considered an attack against them all." That article was proudly invoked for the first time following the attacks on the United States on September 11.

This security guarantee is the most solemn commitment any nation can make. Are the people willing to risk U.S. military troops and expend significant taxpayer dollars to defend the nine additional nations seeking NATO membership pursuant to Article V? That is the fundamental question.

If NATO expands beyond its current 19 members, some fear—and I share that fear—that the Alliance will become increasingly inefficient and indecisive, a mini-United Nations for Europe, but a United Nations without a strong military capability. We saw the Kosovo operation. We saw how 19 members worked on those issues. You add 9, you get to 28. Does that make the Alliance an almost unmanageable command challenge from a military perspective?

I say this only because of my sincere respect for the tens of thousands of men and women who have proudly served in NATO and the very large commitments of funds from their respective nations. General Ralston, what number commander are you in the history of NATO?

General RALSTON. Thirteenth.

Senator WARNER. Thirteenth commander.

Senator LIEBERMAN. Lucky 13.

Senator WARNER. In the annals of military history of the western world, there are times when there is a great regiment or a great division and when that nation can no longer support that regiment or division, rather than let it atrophy or change in some way, they proudly, as we say in the military, retire the colors. Maybe we should consider proudly retiring the colors of NATO and start over again and figure out what it is we need by way of an organization

and such military capabilities to meet the future threats, and therefore preserve the integrity and the traditions of this organization which so many have given their lives and their careers to make it what it is. I think that is something that fundamentally we ought to take a look at.

I thank you, Mr. Chairman.

[The prepared statements of Senator Warner and Senator Thurmond follow:]

PREPARED STATEMENT BY SENATOR JOHN WARNER

Mr. Chairman, I thank you for scheduling this important hearing on the future of the NATO Alliance and the military implications of further NATO expansion. As I said in my January 3 letter to you recommending early hearings on NATO expansion, this is an important issue that deserves serious and thorough review by the Senate. Today, we begin the committee's consideration of this critical issue.

The broad issue before us this morning is the future of NATO—in my view, the most valuable security alliance in the history of the United States, if not the world. In light of the events of the past several years, and particularly events since September 11, NATO is now confronted with some fundamental questions about its future:

- What is the future role and mission of NATO in a world where threats to NATO members are now primarily non-state global threats, such as global terrorist organizations?
- Is NATO equipping to meet the asymmetric threat?
- Will NATO be able to operate as an effective military alliance if NATO's European members continue not to make the critical investments in defense that the United States is making?
- Are the other 18 nations in NATO concerned with the technological gap between the United States and their nations and do they plan to address this problem?
- Is bigger better—what are the compelling reasons to expand?

Let me quote from NATO Secretary General Robertson's recent speech on NATO's future at the recent Wehrkunde Conference in Munich:

"The United States must have partners who can contribute their fair share to operations which benefit the entire Euro-Atlantic community. . . . But the reality is . . . hardly any European country can deploy useable and effective forces in significant numbers outside their borders, and sustain them for months or even years as we all need to do today. For all Europe's rhetoric, and annual investment of over \$140 billion by NATO's European members, we still need U.S. help to move, command and provision a major operation. American critics of Europe's military incapability are right. So, if we are to ensure that the United States moves neither towards unilateralism nor isolationism, all European countries must show a new willingness to develop effective crisis management capabilities."

Against this backdrop of questions on NATO's future is the issue of the further enlargement of NATO—which will be a main focus of the Prague Summit in November. Currently nine nations are under consideration for NATO membership. My question is this: should we be considering dramatically expanding what is fundamentally a military alliance at the same time we are trying to define NATO's future mission and address critical shortfalls in *current* NATO member military capabilities and spending? Should NATO not get its own house in order before considering further expansion?

My concerns with NATO expansion have not changed substantially since the full Senate last debated this issue in 1998. If anything, the problems revealed by the Kosovo operation in 1999 have increased my apprehension about future rounds of NATO enlargement.

I start from the basic premise that NATO is first and foremost a military alliance. That is why NATO was founded; that is why it continues today. Nations should be invited to join NATO only if there is a compelling military rationale for additional members, and only if those additional members will make a positive military contribution to the Alliance. In my view, that case has yet to be made for the nine nations currently seeking NATO membership.

We must always keep in mind that any country joining NATO will be extended the protection of Article V of the NATO charter which states, "An armed attack

against one or more of them in Europe or North America shall be considered an attack against them all." That article was invoked for the first time following the attacks on the United States on September 11.

This security guarantee is the most solemn commitment any nation can make. Are the American people willing to risk U.S. military troops and expend taxpayers' dollars to defend the nine additional nations seeking NATO membership? This will be a hard sell, given the declining defense budgets of our current NATO allies and the meager military contributions that could be made by the nine aspirant countries.

If NATO expands beyond its current 19 members, some fear that the Alliance may become increasingly inefficient and indecisive—a mini-United Nations for Europe. We witnessed some of the problems involved in operating by consensus during the Kosovo air operation. So the question is, will the addition of up to nine new member states—for a total of 28 nations—make that problem potentially unmanageable from a military perspective?

NATO is an alliance that has worked well for over 50 years, beyond the expectations of its founding fathers. Before we make a decision to enlarge the Alliance further, we need to carefully review and study all possible ramifications of expansion. We begin that process today.

Thank you, Mr. Chairman.

PREPARED STATEMENT BY SENATOR STROM THURMOND

Thank you, Mr. Chairman.

Mr. Chairman, I join you in welcoming our distinguished panel. I especially want to welcome General Ralston, who has appeared before this committee numerous times and has always provided incisive and beneficial testimony.

As the United States focuses on the events of September 11 and its role in the 21st century, so must NATO refocus its role. This fall, NATO will hold a summit in Prague that in my judgment will redefine the Alliance's 21st century role and mission in post-Cold War conflicts. In my judgement, a significant objective of the conference must be the restructuring of Europe's military capabilities that have fallen behind ours. Secretary General Lord Robertson stated in a recent article: "I want Europe to share the military burden, because it is in our interests for Europe to play a stronger role in the trans-Atlantic partnership, and take on more defense and security responsibilities. My aim is for the European countries, in NATO and the [European Union], to have a military capacity that better reflects their political and economic might."

Mr. Chairman, I applaud the Secretary General's comments and hope our European allies will heed his words.

Mr. Chairman, I look forward to the panel's testimony and a continued strong NATO.

Chairman LEVIN. Senator Warner, thank you for your very important and heartfelt statement.

While we are considering the expansion of NATO, I notice that our witness table is shrinking.

Before I call on our witnesses, let me see if any of our colleagues would like to give an opening statement.

Senator Lieberman.

STATEMENT OF SENATOR JOSEPH I. LIEBERMAN

Senator LIEBERMAN. Thanks, Mr. Chairman. I appreciate it. I do have a statement which I would ask be included in the record. I thank you for holding the hearing. I thank our witnesses, and I thank Senator Warner for his thoughtful statement. I know that in some sense his concern about the Freedom Consolidation Act of 2001, a bill of which I am a co-sponsor, has engendered this hearing, and that is appropriate and constructive.

I certainly agree with him that as the administration makes these momentous decisions, Congress and the Senate particularly should be fully involved, not afterward, but as policy is being formulated.

I, as my sponsorship of this bill indicates, have a different point of view here, with all respect. If I may try to briefly state it historically, NATO is the greatest military Alliance in the history of the world, created after the Second World War, for the central purpose of defending Western Europe and the values of freedom that we share with our European allies from Soviet threat, from at the worst Soviet invasion.

I think NATO also always had another purpose, which was to be a unifier of Europe and the U.S., and particularly Europe post-war, to create a structure in which the nations of Europe who had fought one another would build a community together. Of course, it has done that magnificently.

But we have come a long way. We obviously won an extraordinary victory over the Soviet Union in the Cold War. I know that there are some ways in which history tells us that when the reasons that motivated the creation of an alliance no longer exist that the alliance withers. While we were victorious in the Cold War, it seems to me that the purpose of sustaining European unity within itself, now on a broader scale, as the Berlin Wall falls and the movement of freedom, our values, spread to the East across Europe, that remains a very strong purpose.

Also, the Alliance takes on broader regional and global responsibilities for security and in doing so is a tremendous asset to the United States, as the sole superpower in the world. In some ways my own feeling is that NATO has evolved since the Berlin Wall collapsed, and it has evolved in its mission. Its history has drawn it to go to places where its founders never could have imagined it would have gone, all in pursuit—and this is my most important point, to me anyway—of the values that motivated the creation of NATO in the first place, which are the protection, advancement, and spread of freedom.

On the military part, I want to trace developments here. For years, physical defense of member nations' home soil as defined in Article V of the North Atlantic Treaty has been at the core of our Alliance. That mission changed in the 1990s with Bosnia and then Kosovo, as NATO applied appropriate force outside, although just outside, its immediate borders for the common good of stability in Europe and to advance ideals, certainly anti-genocidal ideals, that emerged naturally from the Second World War.

Now we have taken an additional turn in response to the horrific attacks on the U.S. of last September 11, where NATO invoked Article V for the first time in its history, responding to attacks on our soil by supporting a war against an enemy half a world away from the United States—hard for the founders of NATO to have conceived of.

But I think this evolution in our Alliance is both realistic and healthy and very much in advancement of the values that NATO was founded on. Technology has obviously collapsed geographical distinctions to the point that today a plot conceived anywhere in the world can pose just as serious a threat to NATO's members' security as an aggressive military movement by a nearby neighbor nation.

I think NATO has to accept that new reality, has accepted that new reality, and has to embrace a more expansive geographical un-

derstanding of its mission. That is why I am a co-sponsor of the Freedom Consolidation Act. I believe NATO membership should be open to a large number of nations. If it is, NATO can become an even more potent protector of trans-Atlantic and global security from threats that include terrorism.

It can be a better facilitator of regional conflict resolution and a more influential incubator of democracy. Expanding NATO to countries that are mentioned in the act that I referred to—Estonia, Latvia, Lithuania, Slovenia, Slovakia, Bulgaria, and Romania—is a way to secure for as far as we can see forward the historic victory of American ideals that we won in the Cold War.

Do we accept responsibilities thereby? Yes, we do. But I think that they are worth accepting. I believe that any democratic European—and I stress—any democratic European nation that meets NATO's criteria and can be a net contributor to the security of the United States and of the Alliance as a whole should be admitted to NATO, hopefully this November at the meeting in Prague.

I look forward to hearing how the administration is assessing the candidates. I look forward to working with the administration on this, and I am anxious to hear today how the administration intends to involve the Senate and the House in these deliberations approaching the Prague summit.

Thanks, Mr. Chairman, for giving me the opportunity to say that.

[The prepared statement of Senator Lieberman follows:]

PREPARED STATEMENT BY SENATOR JOSEPH I. LIEBERMAN

I welcome Under Secretary of State Grossman, Under Secretary of Defense Feith, and NATO Supreme Commander General Ralston, and thank them for their service to our Nation.

Our subject is the North Atlantic Treaty Organization—an alliance of free, democratic nations—unique in human history for its characteristics and its success. Today, the Alliance's principled strength not only protects the peace and freedom of the transatlantic community, but contributes to building a world that is ever more free, more democratic, and more prosperous. Partner states are learning from NATO and striving to emulate the Alliance's standards of military professionalism, transparent civilian control of military power and resources, and the legal and civil foundations of popular legitimacy.

NATO is a set of indispensable tools for the security of member states. Through its history, the Alliance has undergone stresses and strains. Like a marriage, a political and military alliance among free nations requires work and compromise. The United States and its allies have overcome earlier differences, but we confront new strains today: an alleged "divergence of values"; budgetary decisions between costly defense transformation and the demands of diverse and aging societies; and the need to conceive of defense differently in light of terrorists' previously inconceivable brutality. Our changing relations with former adversaries and the violent acts of new antagonists put the transatlantic Alliance at a crossroads with regard to strategy and mission, capabilities and the will to use them. We and our allies can thrash out our differences over these matters as we have in the past, as an alliance of partners. We cannot succeed if our manner of communication deteriorates to that of a superpower and its satellites. I look forward to being reassured by our witnesses that we will avoid that fate. Apart from the quality of our interaction within NATO, we have important policy issues on which I would like to comment briefly.

Like the United States on a bilateral basis, the NATO Alliance is engaged in a crucial partnership with the Russian Federation. We cannot contain the proliferation of missile technology or prevent transfers of plutonium or chemical or biological weapons agents to potential terrorists or aggressors without Russian cooperation at many levels. Russia can help in combating terrorism in much of Central Asia and beyond. Russia's peacekeeping assets and experience complement the Alliance in multilateral missions along the periphery of NATO's area of responsibility. I trust our witnesses today will lay out the thinking in the administration and at Alliance

headquarters on how the proposed NATO-Russia Council and other NATO mechanisms involving Russia might be used in the coming years.

For years, physical defense of member nations' home soil, as defined under Article V of the North Atlantic Treaty, has been the core of our Alliance. That mission changed with Bosnia and then Kosovo, as NATO applied appropriate force just outside its immediate borders for the common good of stability in Europe.

The awful events of September 11 prompted further evolution, as NATO invoked Article V, responding to the attacks on American soil by supporting a war against an enemy half a world away from the United States. This evolution in Alliance thinking is realistic and healthy. Technology has collapsed geographical distinctions to the point that today, a plot conceived in North Africa, South America or Southeast Asia can pose just as serious a threat to NATO members' security as an aggressive military movement by a nearby nation. I believe NATO must accept this new reality and embrace a more expansive geographical understanding of its mission.

Moreover, Alliance members must close the growing gap in armed forces capabilities between the United States and our European NATO partners. As we know from our experience in Kosovo, the gap isn't just lingering, it is widening. Allowing it to persist threatens Europe's security, puts a disproportionate burden on the United States, and creates an awkward imbalance in the Alliance. America's military is the best in the world for a simple reason: we spend a lot to train our forces and to buy the sophisticated weapons systems they employ in combat. The administration's proposed level for military spending for fiscal year 2003 exemplifies our ongoing commitment to defense. I look forward to hearing from Secretary Feith and General Ralston about how plans for spending and transformation of U.S. capabilities relate to our role in NATO. But my strongest message is for our allies: It's time for all NATO nations to overcome internal political resistance and make a priority of upgrading and transforming their capabilities.

I hope we will hear in detail today how the administration is persuading our allies to invest much more in capabilities geared toward likely future missions and interoperability. But political will and commitment drive capabilities. Frankly, we must also ask: Do our allies agree with us on the nature of the threats we face and on what missions are likely? Is the Alliance united on the use of collective military force to combat instability in the broadest transatlantic region, instability arising from terrorism or regional aggression?

Finally, Mr. Chairman, I note that today's hearing responds to the request of Senator Warner to examine the Freedom Consolidation Act of 2001, a bill I co-sponsor, and the larger question of U.S. policy toward admitting new members to the Alliance. I believe NATO membership should be open to a large number of nations. If it is, NATO can become an even more potent protector of transatlantic and global security from threats including terrorism, a better facilitator of regional conflict resolution, and a more influential incubator of democracy. Any democratic European nation that meets NATO's criteria and can be a net contributor to the security of the United States and of the Alliance as a whole should be admitted. I support welcoming into NATO at the Prague summit as many candidate nations as meet these criteria. Estonia, Latvia, Lithuania, Slovenia, Slovakia, Bulgaria, and Romania have made impressive progress in that direction. I look forward to hearing how the administration is assessing the candidates and working with them to improve their democratic institutions and military capabilities. I hope we will also hear today how the administration is working with allies to achieve a consensus on enlargement before the Prague summit. Finally, I am interested in how Croatia and other Partnership for Peace member countries may advance their relationships with the Alliance.

Chairman LEVIN. Thank you, Senator Lieberman.

Did Senator Warner want to be recognized?

Senator WARNER. Our colleague stated quite accurately that I did block the passage by the Senate of the Freedom Consolidation Act of 2001, and I did so not because of specific objections to the proposed legislation, but the procedural manner in which it was being handled. Namely, it was the last day of the session, there were not more than two or three Senators on the floor, and therefore it should not have been acted upon by the United States Senate on what we call the unanimous consent calendar, where we just accept it without any debate, without any hearings.

I think this is deserving of very careful consideration by the entire Senate. Perhaps this hearing will suffice, but if not additional

hearings should be ordered so that we can consider it, and then have some presentation and debate on the floor of the Senate before we adopt it.

Senator LIEBERMAN. Thanks, Senator Warner. I absolutely agree, and I think this is very constructive.

Chairman LEVIN. We will continue on our early bird venture. Senator Roberts.

STATEMENT OF SENATOR PAT ROBERTS

Senator ROBERTS. I thank you, Mr. Chairman.

In 1999 when I approached the issue of NATO enlargement, I said: "I am concerned that the organization is now at a fork in the road. One path leads to continued relevancy and continued success, the other leads to disunity and a loss of direction and also relevance."

Today I share the Senator from Virginia's concern. I am even more concerned with the future of NATO. It was created, as has been said and will be said by virtually everyone, as a defensive alliance and remained so through the end of the Cold War. But because of a myriad of reasons, the military capability gap, which does exist, current and emerging worldwide threats, lack of a direct threat to the continuing viability of Europe, the emergence of the European Union (EU) and its military capability or the lack of it, the very growth of NATO membership, I question whether NATO is or can remain purely a defensive alliance.

There is going to be a great deal of pressure to continue to think of NATO for what it was during the last 50 years—I have that prejudice—a defensive Alliance of like-minded nations focused on a common threat. No matter how loudly we proclaim that NATO remains what it was and its formula for past success guarantees continued success, it seems to me we must face the fact that NATO has changed and will continue to change.

Now, how the transformed NATO fits into our notion of vital national interest must be explored and examined—that is why we are having this hearing. Certainly what has not changed is that the United States must remain linked to our allies in Europe.

That is not the question or the issue. If NATO is no longer primarily a defensive Alliance, then I would challenge any Senator to take a look at the strategic concept adopted two springs ago, at the 50-year anniversary of NATO, and read the obligations of what we now have in that strategic concept. I question seriously whether many Senators have read that and know of our obligations in regards to this organization.

Will it remain viable and will it remain relevant? That is the question, Mr. Chairman, and I thank you for holding the hearing.

I do want to say one other thing. Senator Dick Lugar has to be one of the strongest supporters of NATO that I know of in Congress. When he speaks people listen. He is a recognized expert and observer in regards to foreign policy. He recently, on the 19th of January, delivered a very hard-hitting speech to NATO in Brussels, and he said: "If NATO does not help tackle the most pressing security threat to our countries today, a threat I believe is existential because it involves the threat of weapons of mass destruction, it will cease to be the premier Alliance it has been and will become

increasingly marginal. As important as they are, neither NATO enlargement nor NATO-Russia cooperation is the most critical issue facing our Nation today. That issue is the war on terrorism. NATO has to decide whether it wants to participate in this war. It has to decide whether it wants to be relevant in addressing the major security challenge of our day.”

That is a pretty strong warning, strong words from one of the Senate’s most pro-NATO Senators. I think it is food for thought. I look forward to the questions and I thank the witnesses.

Chairman LEVIN. Thank you, Senator Roberts.
Senator Reed.

STATEMENT OF SENATOR JACK REED

Senator REED. Thank you very much, Mr. Chairman. I want to welcome Secretary Grossman, Secretary Feith, and particularly welcome General Ralston, who is a great leader of our forces in Europe. Thank you, Joe, for being here.

I was particularly struck by Senator Warner’s questions which are fundamental to the consideration of all of these issues. Although some on the panel have reached a conclusion one way or the other, I think for many the issue is still subject to debate and questioning. But those questions, Senator, are profound and very important.

NATO was created, as we all know, as both a military and a political alliance, predominantly a military alliance in its first several decades, I think, particularly focused on, as Senator Roberts said, the defense of Europe. It was a defense from a foreign threat, if you will, or at least an external threat, the Soviet Union, and also from internal disputes, which had cast Europe into two major world wars.

All of that has changed fundamentally in the last several years. Indeed, it is appropriate at this crossroads that we talk about the new mission of NATO and a new vision for NATO. I think we have to approach it with a recognition of the changes and also with the questions that Senator Warner alluded to about its character today: Is it primarily a military alliance, or has it become a political alliance? Is it a way in which we can expand the values of the United States, or is it something that is more of an operational military arrangement?

These are the issues I think we will confront over the next several months as we consider the issue of expansion. There is no avoiding, one, the issue, nor, two, the reality that an alliance of some form, be it political more than military or military more than political, is in the best interests of the United States.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Reed.
Senator Inhofe.

STATEMENT OF SENATOR JAMES M. INHOFE

Senator INHOFE. Thank you, Mr. Chairman. Let me inquire of the chair, we are doing opening statements now and then what are we going to have in the way of rounds?

Chairman LEVIN. Depending on how long their statements are, I hope the first round would be perhaps 8 minutes long.

Senator INHOFE. I would like to make a brief opening statement. General Ralston, I have had a chance to be over there where we are training, visiting the hospital at Lansduhl, talking to these kids when they are coming back. Without exception, they all said—they have this spirit of patriotism and this drive—that they all want to get back to their units, they all want to make a career. So you have done a wonderful job over there in instilling this in them.

I particularly remember a young lady whose name was Stennis and she was on the U.S.S. *Stennis* by coincidence. She had an accident in a refueling operation. You are familiar with this. She ended up going overboard and crushing her lungs, and yet she was anxious to get back.

I see all this as it relates to NATO. I say the same thing to Secretary Feith. You and I were in the Fletcher conference as participants together, and I remember you said NATO would be one of your great challenges. I would hope that during your opening statements, during this meeting, that we can talk about what effect the expansion of NATO is going to have on our tempo of operations (OPTEMPO).

I listened to Senator Lieberman and I greatly respect him, but I disagree with the statement that they can be a net contributor to the security of the United States. I am not sure that they have the capability of doing that militarily and politically.

We were divided on our participation in both Bosnia and then in the Balkans, and I think it was because of NATO. That was the argument that was used to get us in there. My concern was at that time we were down to about one-half the force strength that we had been during the end of the Persian Gulf War, and can we really expect to maintain that OPTEMPO? I am not sure just how many Guard and Reserve we have over there right now, but they cannot sustain that level. We all know that.

The budget was deficient in two areas, military construction and force structure. So I am concerned about how our participation in the expansion of NATO will affect our capability to meet our own strategy, and that is to defend America.

Those are the concerns I have shared with you privately before, and I hope we get a chance to address them in this hearing.

Chairman LEVIN. Thank you, Senator Inhofe.

Senator Nelson.

STATEMENT OF SENATOR E. BENJAMIN NELSON

Senator BEN NELSON. Thank you, Mr. Chairman.

General Ralston, it is a pleasure to have you here on this side of the water this week. Last week we spent time on your side in Brussels. I appreciate very much the information that you were able to provide to us as we spoke that time about NATO and the future of NATO.

Of course, Secretary Feith, I welcome you back, and Secretary Grossman. I am very interested in your comments, your thoughts about the future of NATO, and particularly as to the future relationships in the world. We are talking about membership in effect, but at the same time it is clear we are talking about mission, and we are talking about capacity, contribution of members. We may have to redefine “contribution” in terms of ability of allies to be

able to fight the kind of war that we just finished fighting in Afghanistan.

With the technology that we are facing and the transformation of the military as we move forward, it seems clear to me based on what I have learned and continue to see, that our technology and our ability in the United States perhaps supersedes the ability of others to have that kind of technology. Whether it is precision bombs or whatever it may be, we seem to lead that way.

My concern about NATO and expanding it is a little similar to what I heard Senator Warner say. That is that expanding it may mean bringing individuals in, and perhaps it is on the basis of having allies, having friends, being supportive of democracy, and moving forward in that direction. But is that the same direction that we want to go for mutual defense, or would we be expanding the obligation of the United States to include others if we are going to have the preeminent role in providing the technology, particularly as it relates to the percent of our budget, the GDP, that we are investing in defense spending, on a comparative basis to our friends and our allies in other parts of the world?

Contributions can come in all flavors. Clearly, passing the plate to expand the capacity of technology and the cost of technology from some of those who may not be in a position to do much technology on their own and would like to support the United States in the effort that we have for technology. I am not recommending that. I am suggesting that there may be all kinds of ways to define contribution and the relationship.

Before we make a decision about expanding any kind of membership, I think we in fact do have to have an idea of what the mission is and what the expectation is of all the members to the mission. Lest it be said that we are being unilateral, I think it is important for us to ask as part of the obligation that we have, are we expanding our role disproportionately to the process by expanding the number of members in the organization?

Does it become a mini-United Nations? Should it become like that? I am not suggesting for a minute that we ignore it or we scrap it, but I do think that we have to have it well-defined before we decide whether we add other members.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you very much, Senator Nelson.
Senator Sessions.

STATEMENT OF SENATOR JEFF SESSIONS

Senator SESSIONS. Thank you, Chairman Levin.

I am really proud of the nations that desire to join NATO. It is a thrill to see these countries with whom not long ago we had hostile relationships, who were nothing like a democracy, totalitarian and oppressing their people in so many different ways. So it is a positive event in the world that we have an opportunity to discuss whether or not NATO should include them.

I share some of the concerns that have been raised about the broadening of the mission of NATO. Exactly what does it stand for? What does it mean? We are talking about immigration, ethnic cleansing, crime, economic issues. Are those now going to be part

of the treaty? I am concerned about that. Others have expressed that better than I.

My comments at this point would be: This is a good development; whatever we do, we need to affirm our commitment to seeing these nine nations and others develop economically and politically, develop their security, and enhance their personal quality of life in those countries, which in the long run will advance our national interest.

One of my specific concerns, however, is that as the group gets larger I will want to inquire of you what the power of one nation is. What power does that nation have to block an otherwise unanimous vote or unanimous agreement? I remember distinctly during the Kosovo war that we had to have nations vote on targets of our United States Air Force as we carried that through, and I remember the commander of that air campaign testified with some emotion in this committee that had they been allowed to be more aggressive as he recommended from the beginning, the war would have ended much sooner, with much less loss of life.

This unanimous agreement caused us to be less effective in ending the war promptly and it exacerbated the loss of life. That is one of my concerns.

Thank you, Mr. Chairman, for this hearing.

Chairman LEVIN. Thank you, Senator Sessions.

Senator Landrieu.

STATEMENT OF SENATOR MARY L. LANDRIEU

Senator LANDRIEU. Thank you. I will be brief.

Let me say from the opening that I am supportive of the expansion of NATO and think it is a most positive development that our Alliance that has served this country and this world so well would want to expand. I do acknowledge, though, along the lines of what Senator Roberts said and according to Senator Lugar's statement, that the threat has fundamentally changed. Therefore, the purpose of the Alliance needs to also change and to be brought into more focus for the challenges today.

I think the threat of terrorism is something that, while the United States can fight unilaterally, we would be much more effective fighting within the structure of an Alliance. Just because the threat has changed, which is obvious, the need for alliances I think is greater today than at almost any time, and I mean that.

Second, I also think the expansion should be focused on providing strategic strength to the Alliance. Looking to the south in terms of the strategic expansion, as you can see from the map, would be something that we need to keep in focus.

Finally, what Senator Nelson mentioned I think is important, and that is the capability gap between the members.

Those are some of the things that I am interested in.

Chairman LEVIN. Thank you very much, Senator Landrieu.

Now our witnesses. Secretary Grossman.

STATEMENT OF HON. MARC I. GROSSMAN, UNDER SECRETARY OF STATE FOR POLITICAL AFFAIRS

Mr. GROSSMAN. Senator Levin, Senator Warner, other members of the committee: First of all, let me say what an honor and a privi-

lege it is for me to be here. I know I speak on behalf of my colleagues that we are very glad to have this conversation, to have this consultation, to have this hearing about where NATO is headed, what we want for NATO, and, as Senator Warner said, how to make sure that the Senate of the United States is a partner in trying to figure this out with us.

Mr. Chairman, with your permission I also have a statement for the record. I would like to use part of it and, with the permission of General Ralston and Under Secretary Feith, if I might give a broad overview of where we stand. Then, of course, they would each make a statement, and we would be very glad to answer any questions anybody might have.

Chairman LEVIN. All the statements will be made part of the record in their entirety.

Mr. GROSSMAN. Thank you, sir.

Before I do anything else, though, I want to make sure that I thank you and so many other Members of the Senate for what you have done, are doing, and I know will do to continue to support NATO, as many of you have said, the greatest alliance in history. Senator Warner, that very much includes constructive criticism. They get it from us, they get it from you.

I have had the good fortune to take advice and consent from all of you over the years and I believe we always made better decisions because of it.

When I remember—and Senator Roberts and Senator Warner talked about it—to the debate in 1998 and 1999, I recall the importance of Senator Kyl's amendment. I recall the work that many Senators did in this committee and in other committees, including Senator Helms, Senator Biden, and, as Senator Roberts said, Senator Lugar. For my part, Senator Warner and Mr. Chairman, I can tell you that we will be in closest possible consultation with the Senate, not when this is all over, but as much as possible in advance.

Mr. Chairman, you said in your invitation letter that we come to you at a time when people on both sides of the Atlantic are asking questions about the future of NATO. Some people run away from this debate. I welcome this debate. I think NATO governments, our Senates, our Houses, our Parliaments, our people, ought to be talking about the future of NATO. That is what a democratic military, political, and security policy is all about.

We all know the future of NATO has been debated before, and we have always come back to the fundamentals: values matter, as Senator Lieberman said; collective defense matters; capabilities matter; the trans-Atlantic relationship matters; and because NATO has always adapted to the challenges that have been before it, I believe NATO matters.

Before I try to answer some of the questions, Mr. Chairman, in your invitation letter, I ask you to consider three quotations. First quotation: Winston Churchill, Fulton, Missouri, March 5, 1946: "From Stettin in the Baltic to Trieste on the Adriatic, an iron curtain has descended across the continent. Behind that line lie all the capitals of the ancient states of Central and Eastern Europe: Warsaw, Berlin, Prague, Vienna, Budapest, Belgrade, Bucharest, and Sofia."

The second quotation: Vaclav Havel in Prague July 1, 1991: "Prague, once the victim of the Warsaw Pact, has become the city where the Warsaw Pact met its end as an instrument of the Cold War."

Third: President George Bush, Warsaw, June 15, 2001: "All of Europe's democracies from the Baltics to the Black Sea and all that lie in between should have the same chance for security and freedom and the same chance to join the institutions of Europe as Europe's old democracies have."

I think we have come a long way and, like Senator Sessions, I believe these are positive developments.

Let me state clearly, as you have all said, that the North Atlantic Treaty Organization remains a fundamental pillar of America's foreign and defense policy. As President Bush's speech in Prague shows, we want NATO to succeed. I believe that this Alliance should be an even more effective tool in our world after the 11th of September, and I have come to the conclusion that NATO is more important after the 11th of September and not less important.

The attacks of September 11 and NATO's rapid and steadfast response prove NATO's continuing value. As many Senators have said, invoking Article V for the first time in NATO's history sent a clear message that the Alliance is united and determined to defeat terrorism.

We greatly value NATO's collective response as well as the contribution of individual allies to Operation Enduring Freedom, to the International Security Assistance Force in Kabul, and, as the chairman said, NATO Airborne Warning and Control Systems (AWACS) have logged over 2,600 hours patrolling the skies over American cities. As he also pointed out, NATO's ships patrol the eastern Mediterranean and all NATO allies have provided blanket overflight rights, access to ports and bases, refueling assistance, and stepped-up intelligence efforts.

Fifty years of cooperation through NATO made natural the participation of allied and partner forces in these operations. General Ralston and also Under Secretary Feith will take you through more detail of that.

I come back to my conclusion that September 11 has brought home to all of us the new threats and the challenges that we face. That is why when NATO foreign ministers met together in Brussels last December they agreed to intensify common efforts to meet new threats, first from terrorism and second from weapons of mass destruction. When President Bush meets with allied leaders in Prague, we expect that allies will be ready to approve a program of action to enhance NATO's ability to deal with these and other threats.

I am confident that NATO will respond to these challenges because NATO has adapted successfully in its history. As the chairman pointed out, since the end of the Cold War, NATO has been key to the stability of the Euro-Atlantic area. A round of enlargement began to erase the line that Stalin had drawn across Europe. NATO acted to end the war in Bosnia, NATO responded to end murder in Kosovo, and NATO has built new partnerships with

countries interested in NATO membership in the Euro-Atlantic area.

In your statements, you talked about the future of NATO and what was foreseen in the future. I want to try a quotation out on you. Speaking in 1950 following a NATO meeting in Brussels, Dean Acheson said this: "The attitude we take is that we and our allies are moving ahead with courage and with determination to build our common strength. We regard dangers as common dangers, and we believe they can and must be met with common strength. We are taking the policy that we are going forward with vigor and determination and with courage and we reject any policy of sitting quivering in a storm cellar waiting for others to decide what fate they may prepare for us."

Although he might have been talking about a different threat at that time, I believe that is tremendous foresight for the United States as we face issues of terrorism and weapons of mass destruction.

The 11th of September made clear that the world is far from safe and secure. Czech President Havel, if I could quote him again, who will host the Prague summit in November, said that September 11 alerted us to the evil existing in this world. I would say from our perspective, we still reject the policy of quivering in a storm cellar.

I agree with Senator Landrieu that in this world allies are indispensable if we are to defeat new threats posed by terrorists and hostile states seeking weapons of mass destruction.

I think we should be honest about this: NATO faces many challenges. I guess I would put myself in the glass half full or even a little bit more than half full camp. We can meet these challenges. I think the Prague summit will mark a crucial step in our effort to shape this Alliance for a new century.

There are three themes that we would like to present to you: first, we ought to ensure that NATO has the new capabilities needed to meet today's threats; second, we ought to extend NATO's membership to more of Europe's new democracies; and third, we ought to intensify NATO's relationship with Russia, with Ukraine, and with other partners. New capabilities, new members, new relationships.

Let me start first with new capabilities, because clearly from your comments and from our beliefs that is where we have to start. If the Prague summit is only a summit about expansion or only a summit about new partnerships, we do not believe it will be a success. It has to also be a summit about new capabilities, because the required effort to improve NATO's capabilities to meet 21st century threats is key to our ability to go forward.

Senator Roberts talked a little bit about the NATO strategic concept. I think this goes back to a great deal of foresight by people who worked on the strategic concept both, sir, in 1991 and in 1999. The strategic concept in 1991 said that "Alliance security interests can be affected by other risks of a wider nature, including the proliferation of weapons of mass destruction, disruption of the flow of vital resources, and acts of terrorism."

The 1999 strategic concept reiterated this recognition and, I think, took a step forward by saying that "There are new risks to Euro-Atlantic peace and stability that become clear: oppression,

ethnic conflict, proliferation of weapons of mass destruction, and the global spread of weapons technology and terrorism.”

The growing capabilities gap between the United States and Europe is the single most serious long-term problem facing NATO. I know that General Ralston and Under Secretary Feith will address this issue. You both quoted Secretary General Robertson, and we want to support the efforts that he is making to improve NATO’s capabilities. I can assure you that from our perspective this will be a centerpiece of the Prague summit.

Let me talk for a moment, if I could, about new members. As I said, our second goal for Prague is to continue the process of building a united Euro-Atlantic community by extending membership to those democratic European countries who have demonstrated their ability to defend the principles of democracy, individual liberty, rule of law, and are ready to make a military contribution.

As President Bush observed last year in Warsaw: “Yalta did not ratify a natural divide. It divided a living civilization.” This process of enlargement to Europe’s new democracies, launched in 1997, in my view has begun to fulfil its promise and has brought us closer to the vision of NATO’s founders for a free and united Europe.

But I believe our work is not yet done. In his first meeting with the allies last June, President Bush secured a consensus to take concrete historic decisions at Prague to advance enlargement. He made clear to allies and aspirants his belief that NATO should not calculate how little we can get away with, but how much we can do to advance the cause of freedom.

Since President Bush spoke, we have been working closely with allies and the nine current aspirant countries to strengthen their military preparations and their societies, so that these aspirants who will be asked to join NATO will add to NATO’s strength and its vitality. In fact, today an inter-agency team led by Ambassador Burns is finishing a consultation in each one of these countries, where we have been very clear with them what is to be required to meet NATO standards.

I want to repeat, Senator Warner, Senator Levin, and others, that we look forward to close and continuing dialogue with the members of this committee and others as we approach these historic decisions. The Senate has great responsibility on this question, and we want to work with you to forge a united approach to enlargement.

Some people have asked whether since the 11th of September enlargement should remain a priority. I think I can speak on our behalf and the President’s behalf to say that the answer to that question is yes. The events of September 11 have reinforced the importance of even closer cooperation and integration between the United States and the democracies of Europe.

As you have said in your first round of statements, you are rightly concerned about the capabilities and contributions that potential new allies will bring to this Alliance. All nine aspirants know that NATO involves serious commitments and solemn responsibilities. Many have already demonstrated this, both in the Balkans and in Afghanistan. I would particularly point out a statement from the Vilnius Group, the group where these countries get together and consult, meeting in Sofia last October, when they declared their

shared intention to fully support the war against terrorism and to act as allies of the United States of America.

We believe that NATO enlargement is a means of achieving NATO's core purposes and will contribute to NATO's continuing dynamism and the core security institutions of the Euro-Atlantic area. We look forward to the closest possible consultation with Congress on this subject and, if the Alliance does offer new invitations, to the debate in the Senate on that proposition.

Third, if I could talk for just a moment about new relationships. Our third goal in Prague is also aimed at advancing NATO's core principles, those principles that say that we ought to live in peace with all peoples and promoting stability in the Euro-Atlantic area. As we work to complete the vision of a united Europe of which Winston Churchill once observed "no nation should be permanently outcast," we should continue to reach out and expand cooperation and integration with all of NATO's partners.

NATO and Russia have taken steps to give new impetus and direction to their extensive cooperation in the aftermath of September 11. President Bush's vision is of a Russia fully reformed, fully democratic, closely bound with the rest of Europe, and which is able to build partnerships with European institutions, including NATO.

At the most recent ministerial meeting in Brussels, allies agreed to create a new NATO-Russia body separate from the North Atlantic Council to facilitate joint decisions and actions in areas of common concern between NATO and Russia. We have been working intensively with allies to develop this new body, and I report to you that we expect to have it in place by the time of the Reykjavik NATO ministerial meeting this May.

This so-called "At 20" relationship will offer Russia, not the guarantee, but the opportunity to participate in shaping the developments of cooperative mechanisms in such areas that the allies choose, such as counterterrorism, civil emergency preparedness, air space management, and joint training and exercises.

Let me be clear: "At 20" will not give Russia a veto over NATO actions in any area. It is not a back door to NATO membership. It will not infringe on NATO prerogatives. NATO members will continue to make any decision by consensus on any issue. The NATO-Russia Council will be fully separate from the North Atlantic Council, which will continue to meet and make decisions, as it always has, on the full range of issues and on NATO's agenda.

While forging these new relationships with Russia, our cooperative vision for NATO embraces all of NATO's partners, including Ukraine, countries in the Caucasus, Central Asia, and our Mediterranean dialogue partners.

Mr. Chairman, nearly 53 years after its creation, NATO remains the core of the United States' commitment to Europe and the bedrock of our security and stability in this dangerous world. I think Secretary Powell made this point well when he observed that "The value of NATO can be seen by the fact that 10 years after the Cold War nations are still seeking to join the Alliance, not to leave it." NATO's fundamentals—its values, its common commitment to defend freedom—remain sound.

President Bush has a profound respect for NATO's achievements and a determination to strengthen it for the future. As you have all pointed out, we and our allies have much work ahead of us, but I believe also an historic opportunity, because a Europe whole, free, and at peace, which is something that we used to talk about as a goal, is now fast becoming a reality.

As we look to our agenda in Prague of new capabilities, new members, and new relationships, we look forward to consulting closely with the members of this committee to ensure that NATO will meet the challenges of today and tomorrow as successfully as it has met the challenges of the past.

I thank you very much, sir.

[The prepared statement of Mr. Grossman follows:]

PREPARED STATEMENT BY HON. MARC I. GROSSMAN

Senator Levin, Senator Warner, members of the committee, it is an honor and a privilege to be here. I thank you for the opportunity to address the Senate Armed Services Committee and especially to sit on this panel with my friends and colleagues, Doug Feith and Joe Ralston.

Before I do anything else, let me thank you and so many other Members of the Senate for what you have done, are doing and, I know, will do to continue to support NATO, the greatest Alliance in history. I have had the privilege and good fortune to consult with you and take your advice over the years on NATO. We have always made better decisions because of it.

When I remember the work we did in getting ready for the last round of NATO enlargement, I recall the Kyl Amendment and the work that so many Senators did both in this committee and in the Foreign Relations Committee, including Senator Helms, Senator Biden, and Senator Lugar. I know we will have as much useful dialogue and consultation in the future.

As you say in your invitation letter, Mr. Chairman, I come before this committee at a time when some on both sides of the Atlantic are asking questions about the future of NATO. I welcome this debate. Our governments, our parliaments, and our publics ought to talk about the future of NATO. That is what democratically supported foreign and defense policy is all about. The future of NATO has been debated before and we have always come back to the fundamentals: values matter. Collective defense matters. Capabilities matter. The transatlantic relationship matters. Because NATO has *always* adapted to meet new challenges, NATO matters.

Before I try to answer some of the questions posed in your letter of invitation and speak to some of the current debate about NATO taking place in Europe and the United States, I ask you to step back with me for just a moment and realize how far we have come. Think about these three quotations:

First: Winston Churchill, Fulton, Missouri, March 5, 1946: "From Stettin in the Baltic to Trieste in the Adriatic, an iron curtain has descended across the Continent. Behind that line lie all the capitals of the ancient states of Central and Eastern Europe. Warsaw, Berlin, Prague, Vienna, Budapest, Belgrade, Bucharest, and Sofia, all these famous cities and the populations around them lie in what I must call the Soviet sphere."

Second: President Vaclav Havel, in Prague on July 1, 1991: "Prague, once the victim of the Warsaw Pact, became the city where the Warsaw Pact met its end as an instrument of the Cold War."

Third: President George Bush, Warsaw, June 15, 2001: "All of Europe's democracies, from the Baltics to the Black Sea and all that lie between, should have the same chance for security and freedom—and the same chance to join the institutions of Europe—as Europe's old democracies have."

The North Atlantic Treaty Organization remains a fundamental pillar of our foreign and defense policy. As President Bush's speech in Prague shows (and it is worth reading again as we enter into the critical months before the Prague Summit), we want NATO to succeed. The Alliance must be an effective tool in the world after September 11.

NATO is not less important after September 11, it is more important.

21ST CENTURY NATO: NEW CAPABILITIES, NEW MEMBERS, NEW RELATIONSHIPS

The attacks of September 11 and NATO's rapid and steadfast response prove NATO's continuing value. Invoking Article V for the first time in its history, NATO sent a clear message that the Alliance is united and determined to defeat terrorism.

We greatly value NATO's collective response, as well as the contributions of individual allies to Operation Enduring Freedom and the International Security Assistance Force. NATO AWACS have logged over 2,600 hours patrolling the skies above American cities, and NATO ships patrol the Eastern Mediterranean. All NATO allies have provided blanket overflight rights, access to ports and bases, refueling assistance, and stepped up intelligence efforts.

Fifty years of cooperation through NATO made natural the participation of Allied and partner forces in Operation Enduring Freedom and the International Security Assistance Force. Allied and partner contributions to Operation Enduring Freedom include extensive air reconnaissance, refueling, cargo, and close air support missions, an array of special forces missions, specialized nuclear, biological, and chemical weapons units, mine clearing units, medical units, and an array of allied ships on patrol. Almost all of the contributors to the International Security Assistance Force, currently led by Britain and we hope to be followed by Turkey, are either current allies, potential future allies, or NATO partner countries who have been training and exercising with NATO in the Partnership for Peace. Altogether these allies and partners have deployed nearly 4,000 troops to Afghanistan.

September 11 has brought home to us all that we face new threats and new challenges. That is why NATO ministers at their meeting in Brussels last December agreed to intensify common efforts to meet the threats from terrorism and weapons of mass destruction that all allies face. When President Bush meets with allied leaders in Prague later this year, we expect that allies will be ready to approve a program of action to enhance NATO's ability to deal with these and other threats.

I am confident that NATO will respond to these challenges, just as it has responded to every challenge that has come its way. I say this because, contrary to the myth of NATO as a Cold War relic struggling to define its role since the fall of the Berlin Wall, NATO has adapted effectively throughout its history. From integrating West Germany in the 1950s to responding to Soviet missile build-ups of the 1960s and 1970s, to the INF debates in the 1980s and the ultimate demise of the Warsaw Pact in the 1990s, NATO has responded to new threats while seizing opportunities to foster stability and security.

Since the end of the Cold War, NATO has been key to the stability and security of the Euro-Atlantic area. A round of enlargement began to erase the line Stalin drew across Europe. NATO responded to end murder in Kosovo. NATO acted to end a war in Bosnia-Herzegovina. NATO has built new patterns of cooperation through a Permanent Joint Council with Russia, NATO-Ukraine Commission, the Partnership for Peace and the Euro-Atlantic Partnership Council.

As we consider the future of NATO, the words of one of its founders over half a century ago still offer guidance on the road ahead. Speaking in December 1950 following a NAC meeting in Brussels, Dean Acheson observed:

"The attitude which we take is that we and our allies are moving ahead with courage and with determination to build our common strength. We regard dangers as common dangers and we believe that they can and must be met by common strength. We believe that they need our help in order to maintain their security and that we need their help. . . . Therefore, we are taking a policy of going forward with vigor and with determination and with courage. We are rejecting any policy of sitting quivering in a storm cellar waiting for whatever fate others may wish to prepare for us."

The September 11 attacks made clear that the world is far from safe and secure. Czech President Vaclav Havel, who will host the Prague Summit, observed that September 11 "alerted us to the evil existing in this world. We still reject the policy of quivering in a storm cellar. In this dangerous world, allies are indispensable if we are to defeat new threats posed by terrorists and hostile states seeking weapons of mass destruction. Those who suggest that NATO is no longer essential ignore the fact that NATO derives its strength from the common purpose of defending our people and our values.

NATO faces many challenges. The Prague Summit will mark a crucial step in our effort to shape an Alliance for the new century. Our agenda will be threefold:

- ensuring NATO has the new capabilities needed to meet today's threats to our people,
- extending NATO's membership to more of Europe's newer democracies,
- and

- intensifying NATO's relationship with Russia, Ukraine, and other partners.

New capabilities. New members. New relationships. It is no accident that this new agenda parallels NATO's founding goals as set out in the 1949 Washington Treaty—to safeguard the freedom, common heritage and civilization of our peoples, live in peace with all peoples and governments, and promote the stability and well-being of the North Atlantic area.

NEW CAPABILITIES

The required effort to improve NATO's capabilities to meet 21st century threats will build on work done since the end of the Cold War. NATO's strategic concept recognized as early as 1991 that "Alliance security interests can be affected by other risks of a wider nature, including proliferation of weapons of mass destruction, disruption of the flow of vital resources, and actions of terrorism and sabotage."

The 1999 Strategic Concept reiterated this recognition, noting that "new risks to Euro-Atlantic peace and stability were becoming clearer—oppression, ethnic conflict, the proliferation of weapons of mass destruction, and the global spread of weapons technology and terrorism."

The growing capabilities gap between the United States and Europe is the most serious long-term problem facing NATO and must be addressed. NATO allies need flexible, sustainable forces, able to move long distances in a hurry and deliver overwhelming firepower on arrival. Today, the United States has the vast preponderance of such forces. Other allies, by comparison, have only limited capabilities in critical areas such as lift, precision weapons, intelligence and surveillance platforms, and protection of forces against biological and chemical agents. NATO Secretary General Robertson is committed to bridging the gap between the U.S. and European allies, and will make this a centerpiece of the Prague Summit. We welcome these initiatives and will continue to urge allies to refocus their defense efforts, if need be by pooling their resources to do collectively what they are unable to do individually. If our allies are serious about bridging this gap, however, they must be prepared to do much more to improve their capabilities."

NEW MEMBERS

Our second goal for Prague is to continue the process of building a united Euro-Atlantic community by extending membership to those democratic European countries who have demonstrated their determination to defend the principles of democracy, individual liberty, and the rule of law, their desire to promote stability, and their resolve to unite their efforts for collective defense.

As the President observed last year in Warsaw, "Yalta did not ratify a natural divide, it divided a living civilization." He made it clear that his goal is to erase the false lines that have divided Europe and to "welcome into Europe's home" every European nation that struggles toward democracy, free markets, and a strong civic culture. The process of enlargement to Europe's new democracies launched in 1997 has fulfilled NATO's promise and brought us closer to completing the vision of NATO's founders of a free and united Europe. But our work is not done.

The President affirmed his belief in NATO membership for "all of Europe's democracies that seek it and are ready to share the responsibilities that NATO brings." In his first meeting with allies last June, the President secured a consensus to take concrete, historic decisions at Prague to advance enlargement. He made clear to allies and aspirants his belief that NATO "should not calculate how little we can get away with, but how much we can do to advance the cause of freedom."

Since the President spoke, we have been working closely with allies and the nine current aspirant countries to strengthen their preparations so that the aspirants who may be asked to join will add to NATO's strength and vitality. Today, a team led by Ambassador Burns is completing a series of visits to all nine current aspirant countries to reinforce the importance of addressing key reform priorities in the months before Prague. We look forward in the months ahead to a close and continuing dialogue with the members of this committee and others as we approach these historic decisions. You have great responsibility on this question. It is our goal and expectation that, working with you, we will be able to forge a solid and united approach to enlargement and build an equally strong consensus with the Alliance.

Some have asked in the aftermath of September 11 whether enlargement should remain a priority. The President's answer is "yes." The events of September 11 have reinforced the importance of even closer cooperation and integration between the United States and all the democracies of Europe. If we are to meet new threats to our security, we need to build the broadest and strongest coalition possible of countries that share our values and are able to act effectively with us. With freedom

under attack, we must demonstrate our resolve to do as much as we can to advance its cause.

Members of this committee will rightly ask what capabilities and contributions potential new members will bring to the Alliance. The Washington Treaty makes clear that states invited to join NATO should be in a position to further the principles of the treaty and contribute to the security of the Euro-Atlantic area. This is the standard that we and our allies will apply as we approach decisions at Prague. All nine aspirants know that NATO involves serious commitments and solemn responsibilities. Many have already demonstrated their determination to contribute to Euro-Atlantic security and stability. The Vilnius Group, meeting in Sofia last October declared their shared intention to “fully support the war against terrorism” and to “act as allies of the United States.” Individually, aspirants have responded as de facto allies offering overflight rights, transit and basing privileges, military and police forces, medical units and transport support to U.S. efforts. Most will participate in the International Security Assistance Force in Afghanistan. Prior to September 11, most aspirant countries had contributed actively to NATO efforts to prevent further hostilities in the Balkans.

We believe that NATO enlargement is a means of achieving NATO’s core purposes, and will contribute to NATO’s continuing dynamism as the core security institution in the Euro-Atlantic area. Enlargement will also widen the circle of democracies and expand the zone of stability and security through the Baltics and the Balkans. Not to embrace countries that have overcome years of communist dictatorship and have proven their ability and willingness to contribute to our common security would be to abandon the very principles that have been NATO’s source of strength and vitality. We look forward to the closest consultations with Congress on this subject, and if NATO does offer new invitations, to the debate in the Senate on that proposition.

NEW RELATIONSHIPS

Our third goal for Prague is also aimed at advancing NATO’s core principles—those of living in peace with all peoples and promoting stability in the Euro-Atlantic area. As we work to complete the vision of a united Europe from which, Winston Churchill once observed, “no nation should be permanently outcast,” we must continue to reach out and expand cooperation and integration with all of NATO’s partners.

NATO and Russia have taken steps to give new impetus and direction to their extensive cooperation in the aftermath of September 11. President Bush’s vision is of a Russia “fully reformed, fully democratic, and closely bound to the rest of Europe,” which is able to build partnerships with Europe’s great institutions, including NATO.

At the most recent ministerial meetings in Brussels, allies agreed to create a new NATO-Russia body—the NATO-Russia Council—that will facilitate joint decisions and actions in areas of common concern between NATO and Russia. We have been working intensively with allies in Brussels to develop this new body, which we expect to have in place by the time of the Reykjavik NATO ministerial this May.

This so-called “At 20” relationship will offer Russia the opportunity to participate in shaping the development of cooperative mechanisms in areas that the Alliance chooses, such as counter-terrorism, civil emergency preparedness, airspace management, and joint training and exercises. “At 20” will not give Russia the ability to veto NATO actions in any areas. It is not a back door to NATO membership. Nor will it infringe on NATO prerogatives. NATO members will continue to take any decision by consensus on any issue. The NATO-Russia Council will be fully separate from the NAC, which will continue to meet and make decisions as it always has on the full range of issues on NATO’s agenda.

While forging new links with Russia, our cooperative vision for NATO embraces all of NATO’s partners, including Ukraine, countries in the Caucasus and Central Asia, and Mediterranean Dialogue partners. In fact, NATO is the only institution that can unite the continent in security cooperation, and remains the nexus for broadening and deepening Euro-Atlantic security.

We are particularly determined to focus NATO’s partner activities on countries of Central Asia that have played such constructive roles in the war against terrorism. The Partnership for Peace and EAPC have been successful vehicles for integration, but we believe that much more can be done to expand cooperation between NATO and these countries.

Nearly 53 years after its creation, NATO remains the core of the United States commitment to Europe and the bedrock of our security and stability in a still dangerous world. Secretary Powell made this point best in his confirmation hearings

when he observed that “the value of NATO can be seen by the fact that 10 years after the Cold War, nations are still seeking to join the Alliance, not to leave it.” NATO can meet new threats, building cooperation with former enemies, and ensuring stability in Southeast Europe, giving time for this region to become a part of the European mainstream. NATO’s fundamentals—its shared values, and common commitment to defend freedom—remain sound.

President Bush has a profound respect for NATO’s achievements and a determination to strengthen it for the future. We and our allies have much work ahead, but also an historic opportunity to achieve our goals of defending, integrating, and stabilizing the Euro-Atlantic area and continuing to strengthen this greatest of alliances. A Europe whole, free and at peace is a goal fast becoming a reality. As we look to Prague and our agenda of new capabilities, new members, and new relationships, we look forward to working closely with the members of this committee to ensure that NATO will meet the challenges of today and tomorrow as successfully as it has those of the past.

Thank you.

Chairman LEVIN. Thank you, Secretary Grossman.
Secretary Feith.

STATEMENT OF HON. DOUGLAS J. FEITH, UNDER SECRETARY OF DEFENSE FOR POLICY

Mr. FEITH. Thank you. Mr. Chairman, Senator Warner, members of the committee: I appreciate this opportunity to discuss the future of NATO with you.

As happens from time to time and especially since the West’s victory in the Cold War, questions arise about NATO’s relevance and, as Senator Warner raised the question this morning, about the justification for its perpetuation. I agree that such questions are useful. It is not a good idea to take our larger institutions for granted. It is salutary to review the Alliance’s rationale and examine its institutions.

Today we perform this review in light of the lessons of September 11; lessons about key vulnerabilities of our country despite our conventional military power; lessons about new types of threats; lessons about the global nature of our military responsibilities; lessons about surprise, unpredictability, and the necessity for the United States military to be adaptable and flexible; and lessons about the value of our community of allies and friends around the world.

NATO and our NATO allies responded to the September 11 attack quickly, loyally, and usefully. NATO showed that it can adapt and respond to unforeseen challenges. Less than 24 hours after the terrorist attack against America, our NATO allies, as has been pointed out by many of you, invoked for the first time in history Article V, the collective defense provision of the Alliance’s 1949 treaty.

Soon after that NATO took steps to assist us in the war. For example, seven NATO airborne warning and control system, AWACS, aircraft are now patrolling U.S. skies, protecting Americans at home, and freeing up the U.S. AWACS fleet for important work abroad.

Individual NATO allies and partners are contributing to the war effort and to the post-Taliban reconstruction and security effort in Afghanistan. Some of the allies’ contributions have come through the formal mechanisms of the Alliance and some outside those structures. But all should be appreciated as the fruit of more than

50 years of joint planning, training, and operations within the Alliance.

NATO's core mission remains, as it should, the collective defense of its members, as stated in Article V. But NATO will continue to adapt to deal with new threats and to capitalize on its strengths.

The Prague summit, the first in the new millennium for NATO, is scheduled for November of this year. At the summit the United States hopes to accelerate NATO's transformation, stressing, as Secretary Grossman said, new capabilities, new members, and new relationships. President Bush has reaffirmed the U.S. aspiration to promote a Europe whole and free. In Warsaw last June he declared: "I believe in NATO membership for all of Europe's democracies that seek it and are ready to share the responsibility that NATO brings. As we plan the Prague summit, we should not calculate how little we can get away with, but how much we can do to advance the cause of freedom."

Mr. Chairman, we recognize that enlargement of the Alliance is not an exercise free of risks and difficult judgments. People of experience and wisdom warn of the dangers of making the Alliance excessively unwieldy. They do not want the Alliance to dilute its military capabilities through expansion and they are concerned about NATO's relations with important neighbors. They want to ensure that any enlargement will strengthen NATO's ability to perform its essential defense mission. They want to ensure that the commitment of new members to the Alliance's principles and work will be enduring and fulfillable.

These are prudent cautionary considerations and they are informing the administration's enlargement strategy. We think NATO can enlarge, indeed should, in ways that will serve the national security interests of the United States and of our current allies. A Europe united on the basis of democratic principles, the rule of law, respect for individual rights, and other tenets of the Alliance will be better able to resist and defeat terrorist threats and other threats.

The U.S. Government believes that an enlarged Alliance that conducts joint defense and operational planning, promotes interoperability, and encourages realistic training exercises will be a more effective partner in answering global security challenges.

The aspirant countries have made impressive contributions to NATO-led operations in Bosnia and Kosovo. In 2001, seven of the nine NATO aspirants made force contributions to NATO operations in Kosovo and eight of the nine to NATO operations in Bosnia.

They have also shown much-appreciated solidarity with the United States through their contributions to Operation Enduring Freedom. They have conducted themselves as we want our allies to act. For operations in Afghanistan, the aspirants have provided troops, intelligence, over-flight rights, access to bases, and public diplomatic support.

As the administration deliberates on specific candidacies, the Defense Department will be assessing the state of the aspirants' military structures, their implementation of defense reform, the readiness of military units dedicated to NATO missions, and the military value the aspirant countries can add to NATO.

The transformation of NATO's capabilities can and should proceed hand in hand with its enlargement. This is the greatest challenge for the Alliance in the coming years. NATO operations in Bosnia and Kosovo, as has been commented on by several of you, exposed collective Alliance shortfalls in the capabilities most relevant to modern warfare. They also exposed a disturbing and growing capabilities gap between the United States and its allies.

We heard encouraging rhetoric in the 1999 Washington summit, but by and large have seen meager results. The widening capabilities gap not only weakens the Alliance's military potential, it could in time erode NATO's political solidarity.

In our view the Alliance needs to focus on a few priorities, including: Defending its forces and populations against weapons of mass destruction; doing a better job of getting allies' forces to the fight; ensuring that allies' forces can communicate easily with one another without fear of eavesdropping or jamming by their adversaries; and improving allies' contributions to modern fast-paced and more precise combat operations.

We cannot transform NATO's capabilities overnight, but we cannot afford to settle for business as usual. As we encourage allies to spend more on defense, it is even more important that we get them to spend smarter. The Joint Strike Fighter program is a model of cooperation and efficiency involving the United States and several allies.

A third goal for the Prague summit is strengthening NATO's relationship with Russia and revitalizing its relations with other partners. We are working hard with our allies to enhance the NATO-Russia relationship. I was in Moscow on Monday and discussed this with the representatives of the Russian defense ministry.

The best way to proceed, we think, is to build a record of success on practical projects that benefit everyone involved. We believe that this effort can dissipate vestigial fears in Russia that NATO threatens its security. We also think that fostering engagement with Russia can induce further democratic, market, and military reform in that country and contribute to improved Russian relations with its neighbors. In short, we view the NATO-Russia relationship as complementing our direct efforts to establish a new framework of U.S.-Russia relations.

As we build the NATO-Russia relationship and as the Alliance and Russia work together where we can, it is essential that NATO retain its ability to decide and act independently on important security issues. We are conscious of the importance of protecting alliance solidarity and effectiveness. As Secretary Grossman has pointed out, the North Atlantic Council will decide by consensus on the form and substance of our cooperation with Russia. Russia will not have a veto over Alliance decisions, and NATO-Russia cooperation will not be allowed to discourage or marginalize other partners. We are confident that we can respect these safeguards as we improve NATO's ties to Russia.

The Partnership for Peace is a NATO success story, having produced practical cooperation between the allies and 27 partners from Europe through Central Asia. We want to maintain and strengthen partnership programs beyond Prague, especially in

ways that increase the partners' ability to operate with NATO in crisis response operations. We should not be surprised if, following invitations to some number of aspirants at Prague, other partners step forward to declare interest in NATO membership.

In conclusion, Mr. Chairman, for over 50 years, as has been stated and restated here as a sign of the widespread appreciation of this point and its importance to the Senate, to the NATO, and to the United States in general, NATO has not only been a successful alliance, but perhaps the most successful alliance in history. This year we have an opportunity to enlarge and transform it, to help ensure that future generations of our Euro-Atlantic community, which I view as the core of the community of the world's democratic states, are ready and able to secure their freedom.

Thank you.

[The prepared statement of Mr. Feith follows:]

PREPARED STATEMENT BY HON. DOUGLAS J. FEITH

Mr. Chairman, Senator Warner, members of the committee. I appreciate the opportunity to discuss with you the future of NATO.

As happens from time to time, especially since the West's victory in the Cold War, questions arise about NATO's relevance. Such questions are useful. We shouldn't take large institutions for granted. It is salutary to review the Alliance's rationale and examine its institutions.

Today, we perform this review in light of the lessons of September 11: lessons about key vulnerabilities of our country despite our conventional military power; lessons about new types of threats; lessons about the global nature of our military responsibilities; lessons about surprise, unpredictability and the necessity for the U.S. military to be adaptable and flexible; and, lessons about the value of our community of allies and friends around the world.

In his statement to NATO defense ministers last June, Secretary Rumsfeld listed terrorism first among the types of new threats facing the Alliance. The others he mentioned were cyber-attack, high-tech conventional weapons, and ballistic and cruise missiles armed with weapons of mass destruction. Three months later, on September 11, the first of these anticipated threats materialized with awful impact in New York and Washington.

NATO and our NATO allies responded to the September 11 attack quickly, loyally and usefully. NATO showed it can adapt and respond to unforeseen challenges.

Less than 24 hours after the terrorists' attack against America, our NATO allies invoked, for the first time in history, Article V—the collective defense provision—of the 1949 NATO Treaty. Soon thereafter, NATO took a series of steps to assist us in the war against terrorism. For example, seven NATO Airborne Warning and Control System (AWACS) aircraft are now patrolling U.S. skies, relieving us of a significant burden and freeing up the U.S. AWACS fleet for important work abroad. Individual NATO allies and partners are contributing to the war effort and to the post-Taliban reconstruction and security effort in Afghanistan. Some of the allies' contributions have come through formal Alliance structures and some outside those structures. All those contributions, however, should be appreciated as the fruit of more than 50 years of joint planning, training and operations within the NATO Alliance.

NATO's core mission remains, as it should, the collective defense of its members, as stated in Article V. But NATO will continue to adapt to deal with new threats and to capitalize on its strengths in the current era. The Prague Summit—NATO's first in the new millennium—is scheduled for November of this year. At that Summit, the United States hopes to accelerate NATO's transformation, stressing three themes: new members, new capabilities, and new relationships.

ENLARGEMENT

President Bush has reaffirmed the U.S. aspiration to promote a Europe "whole and free." In Warsaw last June, he declared: "I believe in NATO membership for all of Europe's democracies that seek it and are ready to share the responsibility that NATO brings. . . . As we plan the Prague Summit, we should not calculate how little we can get away with, but how much we can do to advance the cause of freedom."

Mr. Chairman, we recognize that enlargement of the Alliance is not an exercise free of risks and difficult judgments. People of experience and wisdom warn of the dangers of making the Alliance excessively unwieldy. They do not want the Alliance to dilute its military capabilities through expansion and they are concerned about NATO's relations with important neighbors. They want to ensure that any enlargement will strengthen NATO's ability to perform its essential defense mission. They want to ensure that the commitment of new members to the Alliance's principles and work will be enduring and fulfillable.

These are prudent cautionary considerations and they are informing the administration's enlargement strategy. We think NATO can enlarge—indeed should—in ways that will serve the national security interests of the United States and our current allies. A Europe united on the basis of democratic principles, the rule of law, respect for individual rights and the other tenets of the Alliance will be better able to resist and defeat terrorist threats and other threats. The U.S. Government believes that an enlarged Alliance that conducts joint defense and operational planning, promotes interoperability, and encourages realistic training exercises will be a more effective partner in answering global security challenges.

The aspirant countries have made impressive contributions to NATO-led operations in Bosnia and Kosovo. In 2001, seven of the nine NATO aspirants made force contributions to NATO operations in Kosovo and eight of the nine to NATO operations in Bosnia. They have also shown much-appreciated solidarity with the United States through their contributions to Operation Enduring Freedom. They have conducted themselves as we want our allies to act. For operations in Afghanistan, the aspirants have provided troops, intelligence, over-flight rights, access to bases, and public diplomatic support. As the administration deliberates on specific candidacies, the Defense Department will be assessing the state of the aspirants' military structures, their implementation of defense reform, the readiness of military units dedicated to NATO missions, and the military value the aspirant countries can add to NATO.

TRANSFORMATION

The transformation of NATO's capabilities can and should proceed hand-in-hand with its enlargement. This may be the gravest challenge for the Alliance in the coming years. NATO operations in Bosnia and Kosovo exposed collective Alliance shortfalls in the capabilities most relevant to modern warfare; they also exposed a disturbing—and growing—capabilities gap between the United States and its allies. We heard encouraging rhetoric at the 1999 Washington Summit, but by-and-large have seen meager results. The widening capabilities gap not only weakens the Alliance's military potential, it could in time erode NATO's political solidarity.

In our view, the Alliance needs to focus on a few priorities, including: defending its forces and populations against weapons of mass destruction; doing a better job of getting allies' forces to the fight; ensuring that allied forces can communicate easily with one another without fear of eavesdropping or jamming by their adversaries; and improving allies' contributions to modern, fast-paced, and more precise combat operations.

We cannot transform NATO capabilities overnight, but we cannot afford to settle for "business as usual." As we encourage allies to spend more on defense, it is even more important that we get them to "spend smarter." The Joint Strike Fighter program is a model of cooperation and efficiency involving the United States and several allies.

NEW RELATIONSHIPS

A third goal for the Prague summit is strengthening NATO's relationship with Russia and revitalizing its relations with other partners.

We are working hard with our allies to enhance the NATO-Russia relationship. The best way to proceed, we think, is to build a record of success on practical projects that benefit everyone involved. We believe that this effort can dissipate vestigial fears in Russia that NATO threatens its security. We also think that fostering engagement with Russia can induce further democratic, market and military reform in that country and contribute to improved Russian relations with its neighbors. In short, we view the NATO-Russia relationship as complementary to our bilateral efforts to establish a new framework of United States-Russia relations.

As we build this enhanced relationship, and as the Alliance and Russia work together where we can, it is essential that NATO retain its independent ability to decide and act on important security issues. We are conscious of the importance of protecting Alliance solidarity and effectiveness. The North Atlantic Council will decide, by consensus, on the form and substance of our cooperation with Russia. Russia will

not have a veto over Alliance decisions. NATO-Russia cooperation will not be allowed to discourage or marginalize other partners. We are confident that we can respect these safeguards as we improve NATO's ties to Russia.

The Partnership for Peace is a NATO success story, having produced practical cooperation between the allies and 27 partners from Europe through Central Asia. We want to maintain and strengthen partnership programs beyond Prague, especially in ways that increase the partners' ability to operate with NATO forces in crisis response operations. We should not be surprised if, following invitations to some number of aspirants at Prague, other partners step forward to declare interest in NATO membership.

CONCLUSION

Mr. Chairman, for over 50 years, NATO has been a successful alliance, perhaps the most successful alliance in history. This year, we have an opportunity to enlarge and transform NATO to help ensure that future generations of our Euro-Atlantic community—the core of the community of the world's democratic states—are ready and able to secure their freedom.

Chairman LEVIN. Thank you, Secretary Feith.
General Ralston.

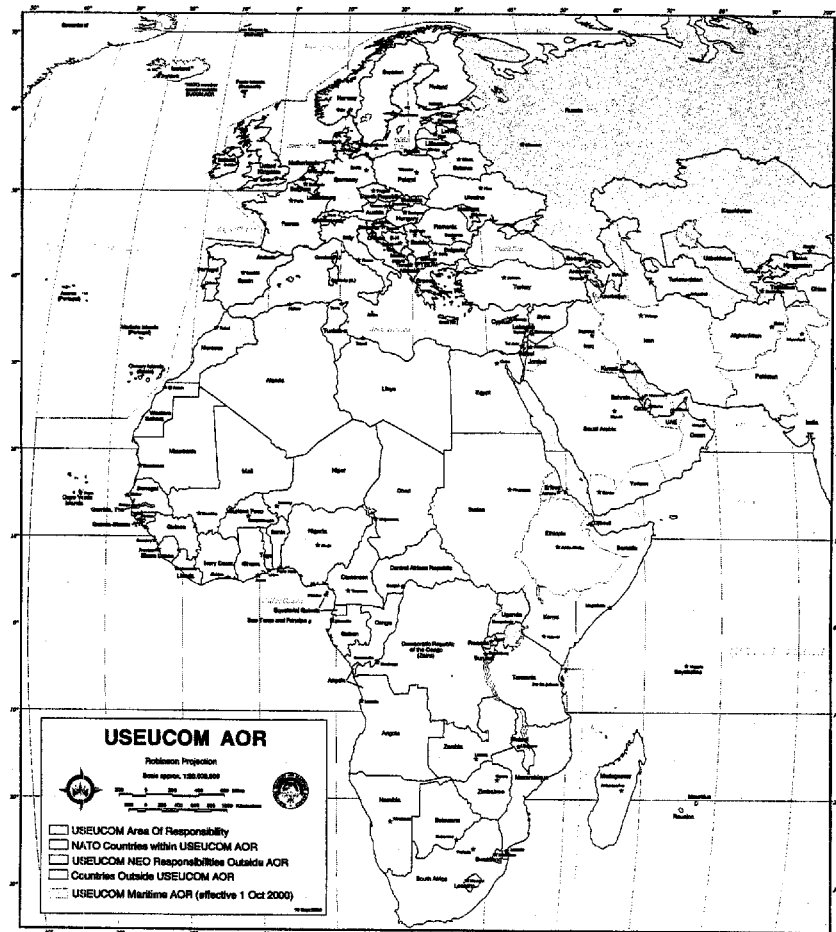
STATEMENT OF GEN. JOSEPH W. RALSTON, USAF, COMMANDER IN CHIEF, UNITED STATES EUROPEAN COMMAND

General RALSTON. Thank you, Mr. Chairman, Senator Warner, and members of the committee. I will be brief. I would like to talk to you for a moment about European Command (EUCOM) as well as NATO.

Starting off, I would like to thank the committee for your support of our budget request for last year and 2002. When I was here, I told you my number one priority was for the military construction and the facilities that our people live and work in in EUCOM. For the first time in a decade, you reversed the trend of declining spending and you gave us about \$360 million, and that is much appreciated by every soldier, sailor, airman, and marine in the European theater.

In our budget request for 2003, once again my top priority is the facilities that our people live and work in and I request your continued support in that regard.

USEUCOM AOR



Mr. Chairman, if I could direct your attention to this chart that we have over here. I think it helps to remind us about European Command, and it may be a bit misnamed. It includes the countries not only of Europe, but most of Africa that you see in green and some very important Middle Eastern countries, including Israel, Syria, and Lebanon. There are 91 countries in total in the European Command area of responsibility (EUCOM AOR).

We have about 115,000 troops there to do that. That is 8 percent of the active duty military strength that we have. I would just like to give you my opinion that 8 percent is not excessive for half the countries of the world in which we are responsible for maintaining stability.

I would also like to remind the committee that as we speak this morning EUCOM is involved in five ongoing combat operations. First, we have our pilots flying over northern Iraq. Just before I

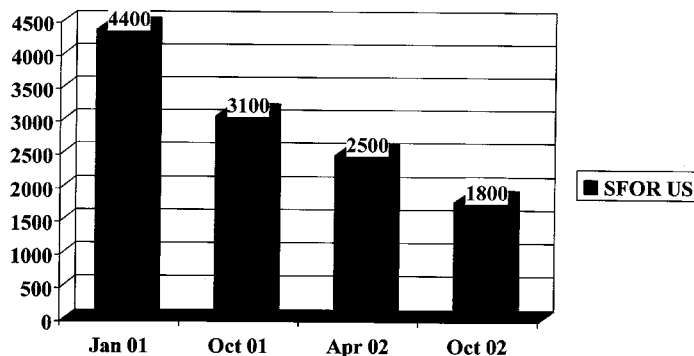
came to this hearing this morning I got a call that our pilots were fired upon and attacked this morning, and we responded by taking out some air defense sites that are there.

We have the operations ongoing in Bosnia and Kosovo, as well as the Former Yugoslav Republic of Macedonia. I would like to talk about one of those for a moment, if you could give me my next chart.



UNCLASSIFIED

SFOR U.S. STRENGTH



UNCLASSIFIED

BALKANS TROOP COMMITMENT

Sometimes we need to remind ourselves of the progress that has been made in Bosnia. Troop levels are not the only indicator, but troop levels are dependent upon the situation on the ground. As you remember, we went into Bosnia with 60,000 troops 6 years ago. Americans made up 20,000 of that. We were 33 percent of the effort. Every 6 months we take a look at how we are doing, what is the situation on the ground, and we adjust the troop level to correspond to that.

Today we have less than 18,000 total troops. The U.S. is about 17 percent of that effort. When I testified before this committee last year, we had 4,400 Americans in Bosnia. Today we have a little over 3,000. Next month we should be at 2,500. My recommendation back to the North Atlantic Council for this fall will be about 1,800 Americans. That will be less than 10 percent of what we started.

I believe that that represents the progress that is being made on the ground in Bosnia, and we have tried to adjust our troop levels accordingly.

NATO's commitment to stability in the Balkans and its September 12 invocation of Article V clearly demonstrate the flexibility of

the Alliance. Much has been said already about the NATO AWACS and the Standing Naval Forces Mediterranean. I will not repeat that. I might like to add that several NATO allies as well as other nations in our area of responsibility have provided intelligence, they have frozen terrorist financial assets, and they have detained suspected terrorists in their respective countries. I might add that in the European theater over 1,500 terrorists have been arrested and taken off the street in the past 90 days.

They have provided basing and overflight rights and other forms of key support in our global efforts to combat terrorism. NATO nations provided cargo aircraft and manpower and expertise to prepare and load cargo pallets for shipment in support of our efforts in Afghanistan. Some contributed directly to the strike missions in Afghanistan, and several countries in the EUCOM area of responsibility are contributing to our stabilization efforts there.

I might say a word about NATO's Partnership for Peace program. Sometimes that does not get the attention I think that it deserves. To give you an example, every time we have a NATO meeting in Brussels of secretaries of state or secretaries of defense or chairmen of the joint chiefs equivalent, it is not only the 19 NATO nations that meet and do the business, but we reset the table and we set the table at 19 plus 27. That is 19 NATO nations plus 27 Partnership for Peace nations. That is several times a year at the very highest levels of our Government we are meeting and interacting with these people.

I think it is no surprise that when the United States needed Uzbekistan for our efforts in Afghanistan that Uzbekistan has been a member of Partnership for Peace and their foreign minister, their defense minister, their chairman of the joint chiefs equivalent have been interacting with their NATO counterparts for many years. I think that was very much important in their decision to support the United States in our effort.

Mr. Chairman, that is all I have. I am certainly prepared to answer any questions you might have.

[The prepared statements of General Ralston follow:]

PREPARED STATEMENT BY GEN. JOSEPH W. RALSTON, USAF

The North Atlantic Treaty established an Alliance that has endured over half a century. During its first 40, NATO manifested the political will and military capability to deter Soviet expansionism, and that deterrence worked. It provided for the rearmament of Germany within a framework acceptable to her wartime foes. It solidly linked, through forward presence and nuclear deterrence, the United States to the security of Western Europe. The stable security environment, combined with the Marshall Plan, facilitated a rapid economic recovery and the subsequent growth of Western Europe into our largest trading partner. Meanwhile, the Soviet Union, its planned economy overtaken by the vibrant markets of the Alliance, crumbled and collapsed.

Without a common foe, some commentators argued, NATO would lose its reason for existence, yet the member nations chose to continue their Alliance, and to transform and adapt it to new circumstances. Massive, static conventional defenses were reduced and made more mobile. Numerous newly independent nations looked to NATO as a source of stability in an uncertain, new world order, and as a bastion of democratic experience. These countries were linked to NATO through the North Atlantic Cooperation Council, followed by the establishment of the Partnership for Peace program (PfP) and the Euro-Atlantic Partnership Council.

The end of the Cold War bipolar order unleashed nationalist, ethnic, and religious tensions resulting in widespread outbreaks of violence. NATO's relevance in the face of these new threats was reaffirmed by its stabilization of ethnic conflict in the Bal-

kans. The operational employment of NATO forces to solve a major European security problem in the Balkans, outside of NATO's perimeter, confirmed the enduring value of the Alliance. The inclusion of partner nations in Balkan operations underscores the payoff of PfP, both in the reform of former communist militaries and in the relief of the manpower burden on NATO.

An unexpected dimension of NATO's security guarantee, and its relevance to U.S. security, came to worldwide attention after September 11. America's NATO allies agreed to invoke Article V of the North Atlantic Treaty, considering the attack on New York and Washington as an attack against them all. A dramatic manifestation of this support is the deployment of part of NATO's Airborne Early Warning and Control Force to patrol America's skies. Additionally, NATO's standing naval forces are patrolling the Mediterranean to prevent terrorist movement and thereby impede the ability of terrorist groups to organize and orchestrate operations against the U.S. or our European allies.

Thousands of allied troops are supporting Operation Enduring Freedom in the CENTCOM theater. Allies, and partners as well, have granted access to their airspace and facilities. Less visible but equally important is the enhanced information sharing occasioned by the invocation of Article V, which has provided numerous leads in the global war on terrorism. In sum, the Alliance continues to play an enormously valuable role for the United States.

NATO began with 12 members, adding Greece and Turkey in 1952, Germany in 1955, Spain in 1982, and Poland, Hungary, and the Czech Republic in 1999. Article X of the North Atlantic Treaty provides for the accession of further European states. To be invited, members must unanimously agree that a candidate would adhere to the principles of the treaty and contribute to the security of the North Atlantic area. The record of the three newest members bears on the desirability of further enlargement.

At the time of the 1999 accession, an interagency review estimated 10 years would be required for full integration. The integration processes that we would expect to be accomplished in the first 3 years have been largely successful; the new members are fully engaged in the NATO defense planning process, manning the majority of their NATO staff positions, and are committed to making progress toward providing the forces and resources that NATO is asking of them. Despite the progress to date, we are learning that some long-term efforts, such as development of a non-commissioned officer (NCO) corps or major weapons systems acquisitions, will take longer, perhaps even a generation, before completion.

The defense budgets for each of the new members have remained strong since accession despite domestic economic challenges. For example, the Czech Ministry of Defense was the only ministry to be spared cuts during their recent 2 year-long recession, and Poland's 6-year defense plan guarantees defense spending at 1.95 percent of GDP. According to the Secretary of Defense's 2001 report on allied burden sharing, the Czech Republic, Poland, and Hungary, respectively, are ranked 6th, 8th, and 11th in terms of defense spending as a percentage of GDP in relationship to the other NATO members. While all three defense budgets will continue to face pressure from competing ministries, clearly the three new members have demonstrated the will to support national defense.

The Czech Republic, Poland, and Hungary, thanks to their similar backgrounds, have proven to be excellent mentors to the current round of NATO aspirants. They are working to extend peace and security eastward. The Poles are particularly active with military-to-military contacts with Lithuania. The Czechs are active with the Slovaks and Lithuanians, and plan to contribute an artillery battalion to the 2,500-strong Slovak-Polish-Czech Peacekeeping Brigade, expecting to be ready for duty by 2005.

All three nations have made substantial contributions to ongoing operations, particularly in the Balkans. They supported Operation Allied Force by providing bases, airfields, and transit rights for NATO troops and aircraft. Their combined Stabilization Force (SFOR)/Kosovo Force (KFOR) troop contribution has historically averaged nearly 2,000 troops. In response to NATO's April 2000 call for additional Reserve Forces, the Poles quickly sent an additional 700 troops. This planned 60-day KFOR rotation lasted more than 5 months. More recently, the Czechs contributed an additional 120-man contingent to support Operation Essential Harvest in Macedonia.

The three new members are making hard choices about where to spend their limited defense dollars, while maintaining the momentum they have established. We are watching their progress closely, and find significant challenges lie in areas such as developing a viable NCO corps, implementing an integrated planning, budgeting, and procurement process, and modernizing their inventory of Soviet-era equipment. Meeting these challenges will require significant monetary investment. Equally important, but not as costly, is continued exposure to Western schools and training,

which will help them adapt to Western style thinking, leadership, and especially decisionmaking.

Elected officials in all three countries face competing priorities for resources while their social systems and economies are still in transition. They must carefully prioritize, focus on their long-term goals, and avoid short-term expedient solutions. The key to success is sustained national will; only that can ensure the new member nations continue to progress in NATO integration.

With each round of enlargement, the issues of cost, defensibility, and military capability are justifiably debated. As reported by the Congressional Budget Office, the addition of Poland, Hungary, and the Czech Republic to NATO reduced the U.S. share of the civil budget from 23.3 percent to 22.5 percent, and the military budget from 28.0 percent to 26.2 percent. The U.S. share of the NATO Security Investment Program (NSIP) budget fell from 28.3 percent to 25.2 percent. The allies share the common costs of the 1999 enlargement, which NATO has estimated at \$1.5 billion over 10 years, through the military budget and the NSIP. Of those costs, \$1.3 billion is for infrastructure improvements that are to be paid by the NSIP. The U.S. share of that cost would be approximately \$400 million—or roughly one-fourth over 10 years. The payoff resides partly in having airfields and logistics facilities able to support NATO and U.S. operations and exercises. Readiness also improves given the greater freedom of maneuver allowed our forces exercising in these countries.

An additional, discretionary cost borne by the United States is the financing of purchases of U.S. equipment and training through security assistance. The President's request for fiscal year 2003 Foreign Military Financing (FMF) and International Military Education and Training (IMET) combined for the new members is just under \$41 million. These Department of State grant funds support important Department of Defense initiatives to improve new member defense capabilities and enhance interoperability with U.S. forces, while providing U.S. access to new member militaries, governments, and bases. Thus, this sum could be seen as an investment, especially since the FMF funds return to the American defense industry in the form of equipment purchases. (IMET funds also return to the U.S. through the purchase of training and education.) I have provided some preliminary considerations, but other DOD organizations will provide authoritative cost forecasts for the upcoming round of enlargement.

We must also consider the potential cost of not enlarging. The aspirant nations have put forth a strong effort in good faith toward becoming members, and have taken political positions in support of the Alliance in recent conflicts. Their elected officials have made membership an important part of their public agenda and sought to increase public support for NATO. From a military standpoint, the outstanding cooperation and support we have enjoyed in terms of troop contributions to ongoing operations and the use of infrastructure and transit rights could be jeopardized.

President Bush has endorsed enlargement in principle, as did the heads of state of the other allies at last June's informal summit. The enlargement of NATO is ultimately a political, not a military decision. A country with a relatively weak military may still be a productive addition to the Alliance for strong political reasons alone. A case could also be made where a country with a strong military may not be a productive addition due to political concerns. There are nevertheless valid military considerations bearing upon suitability for membership.

The nine aspirant nations have made considerable progress under the NATO Membership Action Plan (MAP) established in 1999. They have agreed to pursue Partnership Goals related to the MAP within the PfP Planning and Review Process. The Partnership Goals integrate lessons learned from the previous round of enlargement and the tenets of the NATO Defense Capabilities Initiative (DCI), providing a roadmap toward reform. NATO has provided the aspirants with feedback on their progress through assessments of both their accomplishment of Partnership Goals and their MAP annual national plans. U.S. European Command (USEUCOM) has conducted in-country assessments of aspirants' progress at the direction of the Secretary of Defense.

The aspirants have a common legacy of authoritarian Communist defense planning that was unaccountable to the public. They have dedicated considerable effort to producing new national strategy documents in a transparent way, to garner public and parliamentary support. The aspirant militaries can be broken down into two main categories: those who inherited a burden of obsolete Warsaw Pact equipment and imbalanced personnel structures, and those who had to build armed forces from scratch. Romania, Bulgaria, and Albania fit clearly into the first category, and Slovakia to a lesser degree, since it began its existence as an independent nation in 1993, obtaining a disparate mix of one-third of the Czechoslovak armed forces.

The Baltics fit clearly into the second category, having been stripped bare of all equipment and infrastructure upon the departure of Soviet forces. Similarly, Slovenia and Macedonia did not inherit any part of the Yugoslav armed forces upon independence. Aspirants with legacy militaries have struggled to downsize equipment and personnel while restructuring their forces according to their new strategic situation. Aspirants without legacy militaries have struggled to recruit sufficient qualified personnel and acquire a coherent mix of equipment.

Areas of concern to both categories, on which they have made good progress, include English language capability, legal arrangements in support of operations, the ability to secure classified information, infrastructure to support NATO deployments, NCO corps development, and quality of life for troops. All are financially constrained in their reform efforts by small defense budgets, which compete with other national reform priorities.

ASPIRANT MILITARY CAPABILITIES

As EUCOM's military contribution to the political decision making process regarding which aspirants the United States will support for admission to NATO, we have been tasked to provide the Secretary of Defense and the President with an assessment of each aspirant's current military posture. The aspirant countries have worked to develop their military capabilities, based on lessons learned in the previous round of NATO enlargement (Czech Republic, Poland, and Hungary) and through participation in Operation Enduring Freedom, SFOR, KFOR, PfP, and the MAP. In making our assessment of their progress and current status, EUCOM has focused on four primary areas: strategy and force structure, defensive capabilities, legal and legislative issues, and security procedures. Following is a general description of the criteria EUCOM is using to examine the aspirants in each of these four areas.

Strategy and Force Structure. Sound national security and military strategy documents, effective interagency resource management, rationalized force structures, personnel management, and English language capability are top-level indicators of military potential. The capstone national strategy documents with public and parliamentary support are at various levels of development and approval, with no obvious stragglers. Planning, programming, and budgeting system-type resource planning is being implemented slowly.

Military force structure is currently being revised to combine immediate reaction, rapid reaction, and main/territorial defense forces, with national resources, to include funding, focused on the first two. In all cases, transition requires painful personnel restructuring, and its success will be indicative of a sound National Military Strategy. Personnel management includes accession, knowing what specialists you have and need, a balanced rank structure, an effective NCO corps, quality of life, and professional education. These are building blocks of a quality force. Similarly, English language is the foundation of interoperability. All have made excellent progress in training key individuals during the last few years.

Defense Capabilities. Defense capabilities, aligned according to the NATO DCI categories, are the heart of preparedness, and proof of sound planning and budgeting. The bottom line is: can they deploy a reasonably sized force, sustain it, communicate with it, protect it, and fight effectively with it? Deployability and mobility, particularly by air and sea, are generally weak areas for all aspirants. Sustainability and logistics, to include the nation's ability to support its deployed forces and to support NATO deployments on its national territory (host nation support, air transport handling, airfield, road, rail, and port infrastructure), vary among the aspirants.

Effective engagement includes a basic ability to fight, on the offense and defense, in varying conditions of daylight, weather, terrain, etc. The aspirants have focused funding on equipping and training elite units in the short-term, expanding to the entire force in the long-term. In evaluating an aspirant's ability to engage effectively, we closely examine the capabilities of their land, air, and maritime forces. Air forces are expensive, and flying hours have been under-funded, resulting in degraded training. All aspirants have marginally effective air forces. Survivability of forces and infrastructure ensures the military can continue to fight once attacked. Survivability and engagement capabilities vary among the aspirants.

Consultation, Command, and Control (a NATO term synonymous with U.S. C⁴), through reliable and secure communication and information systems strengthen the effectiveness and interoperability of forces. Aspirants have been investing in this area and have benefited from comprehensive C⁴ studies accomplished by USEUCOM and the USAF Electronic Systems Center. Most have demonstrated progress in establishing centralized C⁴ planning. Most aspirants can monitor their airspace, but have limited ability to enforce their airspace sovereignty. The U.S.-

funded Regional Airspace Initiative has provided modern Air Sovereignty Operations Centers to all aspirants except Macedonia and Albania.

Wrapping up defense capabilities, EUCOM assessed the aspirants' ability to deploy a small (company-sized) light infantry unit in support of NATO and their ability to sustain, protect, communicate, and fight with that force. NATO considers this size effort to be the lowest common denominator of capability that would be expected of any NATO aspirant.

Legal and Legislative. Aspirants are aware that legal obstacles to reinforcement of, or transit by NATO forces, as well as to deployment of national forces in support of NATO, can be prejudicial to accession. All have resolved or are in the process of resolving these obstacles.

Security. Another area of interest is the ability to protect classified information. The aspirants have fairly strict traditions regarding classified handling and are making good progress in the establishment of national authorities and policies, investigative clearance-granting services and document registries. Security of communications and information systems is generally weaker than physical and personnel security. Information assurance programs are at varying levels of development and progress.

The military assessments of the aspirants, based on these criteria, continue to be updated. It would be premature at this point to publicly release relative comparisons or rankings.

CONCLUSION

It is important to reaffirm that NATO's overarching objective of opening up the Alliance to new members is to enhance stability in Europe as a whole, more than to expand NATO's military influence or capabilities or to alter the nature of its basic defense posture. Clearly, the aspirants have focused their efforts on areas crucial to the previous NATO enlargement, as identified through the MAP process.

The steady integration record of Poland, Hungary, and the Czech Republic indicates further enlargement can be successfully managed. While being cognizant of the dollar cost of enlargement, we should keep in mind the potential costs of delaying enlargement. NATO remains relevant and viable in the post-September 11 world, and the aspirant nations offer limited but improving military capabilities and infrastructure to the Alliance. I will be pleased to provide the committee with any additional information it may require on this or other matters of concern.

PREPARED STATEMENT BY GEN. JOSEPH W. RALSTON, USAF

INTRODUCTION

Mr. Chairman, distinguished members of the committee, it is my privilege to appear before you as Commander in Chief, United States European Command (USEUCOM), to discuss the posture of U.S. forces in our theater. Since I last testified, USEUCOM has successfully promoted stability, strengthened ties with countries throughout the theater and maintained its ability to fight and win in armed conflict against all types of enemies—including asymmetric threats like terrorism. We have been able to do this because of your support in the past, and our ability to continue these efforts depends wholly upon your continued support in the future.

The USEUCOM area of responsibility (AOR) encompasses a vast geographic region covering over 14 million square miles of the globe. It includes 91 sovereign nations stretching from the northern tip of Norway to South Africa, and from the Atlantic seaboard of Europe and Africa to parts of the Middle East and beyond the Black Sea. Our AOR's astonishing diversity encompasses the full range of human conditions: some nations are among the wealthiest of the world, while others exist in a state of abject poverty; some are open democracies with long histories of respect for human liberties, while others are dictatorships or failed states. Above all, USEUCOM's AOR is dynamic with new opportunities and new challenges regularly emerging.

USEUCOM's missions are themselves complex and dynamic. The men and women of the Command operate throughout Europe, Africa, the Levant, the waters of the Mediterranean, and in the skies over Iraq. They serve in the Balkans in support of North Atlantic Treaty Organization (NATO) peace operations, and support the war on terrorism from locations throughout the theater. Through their presence, we maintain commitments to our regional friends and allies and clearly demonstrate our intent to preserve and protect our national interests. We do all of this with minimal force presence and a moderate level of resources.

We also represent the U.S. contribution to NATO and promote U.S. leadership within that vital organization. Far from a Cold War relic, NATO's prompt invocation of Article V for the campaign against terrorism demonstrated the strategic flexibility that makes it as relevant today as it was 50 years ago. USEUCOM supports NATO's Partnership for Peace (PfP) program with active bilateral and multilateral relationships across Western and Central Europe, as well as the area formerly within the Soviet Union. This security cooperation contributes to the extraordinary democratic progress many nations have achieved both militarily and politically. This interaction also helps counter both conventional, coercive threats and international terrorism by helping to ensure that our respective strategies are complementary. By ensuring access, interoperability and intelligence cooperation, our efforts have dramatically expanded the range of options available to the President and Secretary of Defense. A similar process, adapted to subregional conditions, helps maintain stability in the Middle East and North Africa. All of these efforts depend on USEUCOM's core capability—conducting rapid and decisive military operations across the spectrum of conflict. When called, USEUCOM stands ready to step up to a conflict and win it.

The horrific events of 11 September 2001 and shortly thereafter acutely remind us of the conventional, chemical, biological, and, potentially, nuclear terrorist threats that exist throughout the world. At the same time, emerging opportunities within the theater are allowing us to more effectively combat these threats to Americans both abroad and at home. Indeed, several nations within our AOR have provided intelligence, basing and overflight rights and other forms of key support in our global efforts to combat terrorism. Without an aggressive and continuous security cooperation program, many of these opportunities would not have been possible. The continued pursuit of these opportunities will allow us to more effectively accomplish our most important mission—the protection of the American people and our way of life.

To successfully prosecute the global campaign against terrorism in Europe and Africa while remaining postured to meet emerging threats across the spectrum of conflict, we particularly need your support in four critical and interrelated areas—all of which are closely tied to our supporting infrastructure. These four critical areas are force protection; the sustainment, restoration and modernization (SRM) of our existing infrastructure; new military construction (MILCON); and modernization of our outdated command, control, communications, and computers (C⁴) infrastructure.

Force protection is a fundamental concern and takes on an added dimension in this theater because our forces' training, day-to-day operations and off-duty and family time are spent on foreign soil. We have realigned resources to assist in perimeter defense and reallocated intelligence assets to more aggressively pursue analysis of terrorist organizations and share intelligence with coalition partners and allies. But still more needs to be done, and we need your continued assistance in addressing force protection shortfalls. We also need your support for continued, revitalized investment in the sustainment, restoration, and modernization (SRM) of our existing infrastructure, as well as new military construction. Our ability to project American power, protect our forces and provide our service members with an appropriate quality of life all depend on the health of our installations and facilities. Finally, we need your help in modernizing our woefully outdated command, control, communications, and computers infrastructure. I will expand upon each of these needs later in this statement, but first I would like to update you on our strategic vision for the theater, our ongoing operations and security cooperation initiatives, and some of the high-profile issues and unique challenges we encounter in our area of responsibility.

STRATEGIC VISION OF THE U.S. EUROPEAN COMMAND

Consistent with the 2001 Quadrennial Defense Review, USEUCOM envisions maintaining and posturing a force that will assure U.S. allies and friends in our AOR, dissuade potential adversaries, deter threats and counter coercion, and, if necessary, decisively defeat any adversary.

- *Assure Allies and Friends:* The presence of potent U.S. forces served as a visible guarantee of U.S. commitment during the long years of the Cold War. In today's security environment, visible military presence lends credibility to U.S. policy declarations that would not otherwise be achievable. Because "we are here," our allies and friends are assured that they can count on us and they take our national positions into account in their own political and military decision processes. Likewise, a potential aggressor is less likely to be deceived about U.S. commitment and resolve.

- *Dissuade Potential Adversaries:* Against the backdrop of continuing U.S. modernization and transformation, the forward presence and activity of U.S. forces is a powerful deterrent to potential aggressors who might contemplate a military challenge against us or our friends and allies. U.S. unilateral, Alliance, and coalition capability is so clearly superior that most potential aggressors are dissuaded from committing resources to a manifestly hopeless competition. However, there remain asymmetric threats in the world today that may not be influenced by our superior conventional military capability alone. To dissuade these potential adversaries we must continue to develop new, cooperative capabilities to deter, and if necessary, defeat asymmetric threats.
- *Deter Threats and Counter Coercion:* Despite our efforts to dissuade potential adversaries, a regime or group may convince itself that the U.S. will not respond to aggression because of a lack of will or interest, or commitments elsewhere. USEUCOM is ready to respond with actions to disabuse such actors of their mistaken impression and simultaneously prepare for conflict should a miscalculation be translated into action against us.
- *Decisively Defeat Any Adversary:* History shows that periodically, at unexpected times and places, we are confronted with actual aggression. Whether military or non-military, conventional or unconventional, proportional or asymmetric, these threats can be highly destructive. USEUCOM stands ready to face and defeat any aggression in our AOR.

U.S. EUROPEAN COMMAND STRATEGIC FUNDAMENTALS

To achieve the USEUCOM vision, we focus on four strategic fundamentals: security cooperation, forward presence, readiness and joint training, and interoperability.

Security Cooperation

Our strategic vision is best achieved in concert with allies, partners and friends, and USEUCOM aggressively pursues a number of programs that create conditions for coordinated, combined military action. An example of this cooperative effort includes the commitment made by Turkey during Operation Enduring Freedom to use its airspace, bases and Special Forces units to assist in the war against terrorism. Other NATO allies, as well as many non-NATO partners, have contributed personnel and equipment to the fight against terrorism, the closely associated humanitarian relief effort, or both. Our in-theater presence and day-to-day military interaction with both our NATO allies and non-NATO partners was key to bringing this commitment to fruition. Other security efforts in theater include working with our friends throughout Africa to improve their peacekeeping capabilities, increasing military cooperation with Russia, and developing new relationships with countries of the Caucasus region. These efforts have protected and strengthened important U.S. economic and security interests, while assuring our European friends that the U.S. remains committed to European security.

Joint Training and Interoperability

Not only must we be concerned with our interoperability with our partners in the theater, we must also be concerned with interoperability among our own Armed Services. By exploiting the symbiotic relationship between interoperability and joint training, we capitalize on the opportunities to improve our readiness. Accordingly, USEUCOM's training program, based on established mission requirements and driven by training objectives, emphasizes both joint (multi-service) and combined (multi-national) exercises within available resources.

Although we have made substantive progress in materiel and equipment interoperability among the services, information interoperability remains a major challenge. As the technologies that allow us to exchange information improve, it is important that we be able to understand this information. We gain this level of information interoperability through common systems architecture and through practice in our joint and combined training and exercise events.

Forward Presence

Without a forward presence in Europe our activities in Africa, Eastern Europe, and the Caucasus would be logistically and financially prohibitive. The forward presence of strike platforms; intelligence, surveillance and reconnaissance (ISR) assets; amphibious units; and Special Forces is vital to our ability to conduct timely and effective military operations. Make no mistake, our ability to rapidly respond to crises is critical to the stability of our AOR. Our location, literally "one ocean closer" to many places of conflict, uniquely situates USEUCOM as a strategic platform

from which to rapidly project forces to protect American interests. In the past year, our forces have been used to both deter aggression and demonstrate U.S. resolve.

Readiness

The readiness of USEUCOM's assigned forces is our most significant contribution to national security. Our security cooperation efforts help sustain readiness by providing valuable training opportunities while strengthening interoperability and relationships with those alongside whom we may meet future threats. These activities help shape the international environment by incorporating other nations and improving our multinational expertise in the region. They also improve our ability to respond unilaterally or in concert with other nations, and they prepare us for the uncertain regional requirements of the future. Thanks to the support of Congress, forces assigned to this theater are well-prepared for their current operations. The Command's forces are fully engaged and continue to rely upon augmentation and Reserve Forces to carry out our many diverse missions. Dedicated young men and women valiantly executing a wide variety of operations to support our national strategy make up the heart of our theater readiness.

CURRENT OPERATIONS

Over the last year, the Nation called upon USEUCOM to demonstrate its readiness by conducting a wide range of operations across the range of military operations.

Operation Enduring Freedom

Following the events of 11 September, USEUCOM, in a cooperative effort with U.S. Central Command (USCENTCOM), has played a significant role in operations associated with the war on terrorism in Afghanistan. Every USEUCOM component has provided invaluable personnel, equipment, and logistics support to this effort. Tons of supplies and pre-positioned equipment have been pushed rapidly forward to support operations at remote locations. Ramstein Air Base, Germany served as a vital staging base for U.S. Transportation Command (USTRANSCOM) aircraft executing humanitarian assistance airdrop missions that provided approximately 2.4 million rations in 197 sorties over a 3-month period. On 15 November, three C-17s operating out of Ramstein Air Base dropped over 105 tons of humanitarian supplies, including wheat, blankets and daily rations in Afghanistan—the largest single drop in history. Incirlik Air Base, Turkey also played a critical role, supporting these C-17 air mobility missions with a forward based KC-135 aerial refueling capability. Additionally, Incirlik served as a logistics hub for USCENTCOM bound humanitarian assistance missions coming through USEUCOM's AOR, allowing those aircraft to deliver thousands of pounds of humanitarian supplies. Those missions engendered support within the population of Afghanistan for the U.S. cause and undermined support to the Taliban.

USEUCOM has received and coordinated critical support from our NATO allies in the war on terrorism. For more than 50 years, NATO looked east, perfecting plans to rapidly move forces to reinforce European allies and halt aggression. It is an irony that the first time NATO invoked Article V of the Washington Treaty, it was to send forces west to help secure U.S. skies in the aftermath of the 11 September attacks. NATO Airborne Early Warning (NAEW) aircraft have been patrolling the skies over North America, replacing U.S. Airborne Warning and Control System (AWACS) that have deployed in support of Operation Enduring Freedom. NATO's Standing Naval Forces have also deployed to the Eastern Mediterranean. Germany and Canada provided cargo aircraft and the essential manpower and expertise to prepare and load cargo pallets for shipment. Berlin also provided additional force protection personnel from the German Army and National Police Force to guard key U.S. facilities in Germany. The United Kingdom contributed directly to strike missions in Afghanistan, and several countries, including the UK, Germany, France, Spain, Italy, the Netherlands, Norway, Denmark, Portugal, Belgium, Canada, Greece, and Turkey have indicated their willingness to assume prominent roles in the post-conflict stabilization effort.

Our non-NATO partners in Europe have provided similar assistance. Bulgaria's enthusiastic support of OEF serves as a case in point. Like Ankara, Sofia provided basing rights for our tanker aircraft that refuel the humanitarian flights. Romania, Sweden, and Finland have also offered to assist in post-conflict stabilization. In short, while the capabilities of each European nation are different, all can contribute to this effort, and virtually all have. Some nations contributed directly to the military strikes in Afghanistan, while others extended over-flight rights, froze terrorist financial assets, and detained suspected terrorists in their respective countries.

USEUCOM has been, and continues to be, center stage in coordinating these efforts among our allies and friends in the AOR.

Operation Northern Watch

The Combined Joint Task Force (CJTF) Operation Northern Watch (ONW), consisting of forces from the U.S., Turkey and the United Kingdom, continues to enforce the Northern No-Fly Zone (NNFZ) over Iraq and monitor Iraqi compliance with applicable U.N. Security Council resolutions. These missions are dangerous and complex, and in the last year, Iraqi air defense challenges to these missions have become more frequent. Coalition forces have taken all available force protection measures. Saddam Hussein's strategy of eroding international support for applicable U.N. resolutions may be threatened by new international appreciation for the dangers of terrorism and rogue states. USEUCOM will continue to play a prominent role in enforcing the NNFZ and in ensuring Iraq's compliance with U.N. resolutions.

Balkan Operations

One of the greatest challenges to peace, stability, and democracy in Europe is the integration of the Balkan states into the rest of the continent, an objective the U.S. shares with our allies. Prospects for regional stability have improved due to the international community's focused and unified efforts. Recent developments, like the Former Yugoslav Republic of Macedonia (FYROM) parliamentary approval of the Framework Agreement and the peaceful provincial elections in Kosovo, have increased regional stability.

We continue to scrutinize both the size and structure of U.S. forces deployed to the Balkans, both unilaterally and as part of NATO's Six Month Reviews (SMR). Operation Joint Forge continues to enforce the General Framework Agreement for Peace (GFAP) by providing military presence in Bosnia-Herzegovina to deter hostilities, promoting a stable environment, and supporting a transition to civil authority. In Bosnia, force numbers have been reduced from 60,000 when the mission began, to just over 17,000 personnel. Europe as a whole has endeavored to live up to its personnel and financial commitments of support to Balkan operations. Thirty-two nations contribute forces to the Stabilization Force (SFOR), with the 28 European nations comprising 80 percent of the combined force. The U.S. has reduced its troop commitment from over 20,000 (33 percent of the total force) in 1996 to 3,100 (approximately 18 percent) today. The way ahead in Bosnia remains contingent upon the international community's ability to build civil institutions, reduce and restructure indigenous armed forces, and promote the rule of law. A key provision is the establishment of a competent Bosnian Police Force. An international police presence is also required to assist Bosnian police and provide in extremis protection to international personnel. Further reductions in troop strength through the biannual NATO SMR are possible.

Apprehending the remaining war criminals is an important aspect of reestablishing the rule of law throughout the Balkans, and this remains among SFOR's highest priorities. Within Bosnia, SFOR is continually on the alert for fugitives indicted by the International Criminal Tribunal for the Former Yugoslavia (ICTY), or for information that might lead to their apprehension. By the ICTY's figures, the effort to bring war criminals to justice has been successful. Since the Tribunal's inception, 116 individuals have been publicly indicted with 30 still at large—the vast majority of whom have not been heard from in a number of years. There is little information available on the remaining few, but we do know those still alive reside outside SFOR's mandated area; rarely, if ever, enter Bosnia; and take extraordinary, potentially violent precautions to remain free. When actionable intelligence is available we act to detain these individuals. In addition to military action, some of the accused have also come into custody through the efforts of various national police forces and voluntary surrenders. Many of the accused known to be alive and at large reside in locations where the governments might be motivated to cooperate with the international authorities through political or economic inducements. This has arguably been successful in the past, with the most notable example that of the arrest, imprisonment, and subsequent extradition of Slobodan Milosevic to The Hague.

Operation Joint Guardian remains the lynchpin supporting NATO military operations in Kosovo (KFOR). KFOR has just under 35,000 troops deployed in Kosovo which is 4,000 less than when I testified to this committee last year. This force is drawn from 34 nations, including Russia, and, as in Bosnia, the Europeans have stepped up to this commitment with 31 European countries deploying over 80 percent of the total force. The U.S., with approximately 5,200 troops in Kosovo, provides around 15 percent of the force. Despite the cessation of active hostilities in the FYROM, sporadic violence still erupts throughout the region. Although the num-

ber of violent actions appears to be declining, KFOR continues to require a significant military presence for the foreseeable future to deter renewed hostilities.

The international community has made substantial progress in laying the foundation for returning the rule of law to Kosovo, and, just as in Bosnia, this is where an exit strategy must begin. The United Nations Mission in Kosovo (UNMIK) police force is currently supported by 51 nations. Additionally, the Organization for Security and Cooperation in Europe's (OSCE) Kosovo Police Service School (KPSS) has graduated over 4,000 multi-ethnic officers since its inception in September 1999. The U.N. policing plan is on target and continues to put officer graduates alongside UNMIK veteran contract officers. The ultimate goal of this endeavor is to replace the U.N. contract police force entirely, turning law enforcement responsibilities over to the citizens of Kosovo. On the other side of the equation, UNMIK has published more than 100 regulations with the force of law. They have also appointed more than 400 local judges and prosecutors, with five district courts and some lower courts in operation. Finally, 11 international judges and five international prosecutors have been appointed to the district courts, and an international judge now sits on the Supreme Court.

The FYROM faces daunting new challenges with regard to its current political and security situation. The government of FYROM recently concluded a political settlement through a U.S./EU/NATO-brokered Framework Agreement (FWA) with the country's four leading political parties. This FWA successfully met the NATO-established preconditions for facilitating the voluntary disarmament of the National Liberation Army (NLA), called Operation Essential Harvest. NATO's North Atlantic Council determined that a NATO mission, termed Operation Amber Fox, would provide an in extremis extraction force to support OSCE and EU monitors following Operation Essential Harvest. On 15 November 2001, the FYROM Parliament ratified the FWA, which institutionalized constitutional reforms. The return of FYROM security forces to crisis regions is proceeding in coordination with EU and OSCE monitors.

One dynamic at work that raises concerns for all U.S. and NATO forces in the Balkans is the presence of elements with ties to international terrorist networks. Although to date no U.S. forces in the Balkans have been attacked, the region has surfaced as a potential trouble spot in our war against terrorism. Accordingly, we have developed an aggressive, regional counterterrorism program that includes U.S. and Alliance military forces, our respective national agencies and, to the maximum degree possible, the local Balkan governments. We are using tactical counterintelligence and human intelligence (HUMINT) capabilities to great effect in identifying terrorist network operations and curtailing them throughout the region. Continuing to invest in HUMINT and engaging the population to develop information on potential threats and their intentions is important both to peace and stability operations in the Balkans and to our global counterterrorism efforts.

Operation Focus Relief

Although now complete, Operation Focus Relief is a clear example of a USEUCOM success story in Africa. The impetus for Operation Focus Relief was the near collapse of the United Nations Aid Mission in Sierra Leone (UNAMSIL) in early 2000. The U.S. committed to train and equip military forces from West African nations in the essential skills required to participate in U.N. Chapter VII peacekeeping operations in Sierra Leone. In the fall of 2000, Special Forces under the operational control of Special Operations Command, Europe, began training and equipping light infantry battalions from Nigeria, Ghana and Senegal to meet the challenges posed by antigovernment forces in Sierra Leone. U.N. officials have acknowledged the performance of the U.S. trained troops, and the situation in Sierra Leone has improved. Initiatives like OFR train Africans to help themselves, reduce the potential need for U.S. troops to be deployed to the continent, and provide a valuable opportunity for military-to-military interaction and the promotion of democratic values in an area of increasing importance to U.S. global interests. OFR and operations like it are a worthwhile investment.

MILITARY COOPERATION ACTIVITIES

Beyond current operations, USEUCOM remains engaged in a wide range of cooperative security and military activities designed to strengthen our strategic partnerships and better prepare us to meet future crises.

Defense Cooperation and Security Assistance

Defense cooperation and security assistance programs are vital to attaining foreign policy and national security objectives. These programs promote interoperability with U.S. forces and help to build professional, capable militaries in friendly

and allied nations. Through 40 Offices of Defense Cooperation (ODC), we are in partnership with U.S. embassies throughout the theater conducting military security cooperation in support of U.S. objectives, to include promoting an international coalition capable of fighting terrorism.

Foreign Military Financing (FMF) provides irreplaceable resources for modernizing the military forces of our friends and allies, and has been essential to U.S. influence during the dynamic transformation of Central and Eastern Europe and key African partners. FMF assists nations without the means to acquire U.S. military goods, services and training and provides access to U.S. expertise in defense restructuring and management. These programs, designed to promote interoperability, are essential to our coalition operations. A priority this year is restoring FMF to Turkey, an indispensable ally who has demonstrated the value of its geo-strategic position in virtually all of our on-going operations.

Likewise, Foreign Military Sales (FMS) of \$4.5 billion in fiscal year 2001 to Europe demonstrate the continued primacy of Trans-Atlantic defense relationships to U.S. security interests. FMS encourages interoperability between U.S. and European forces, maintains a strong U.S. presence in the development and implementation of the Defense Capabilities Initiative (DCI), and helps modernize the militaries of new friends and partners in ways critical to our security interests. We have worked closely with the Defense Security Cooperation Agency and the services to ensure that USEUCOM's priorities are reflected in the fiscal year 2003 budget request.

International Military Education and Training (IMET)

IMET is perhaps our greatest tool for promoting long-term beneficial change in foreign militaries, as foreign military and civilian leaders encounter firsthand the American civil-military culture. IMET focuses on professional development, the role of the military in a democratic society and English language training. In fiscal year 2001, the program trained almost 1,450 military and civilian international students in U.S. military schools. In Sub-Saharan Africa, IMET is particularly important as it provides educational opportunities that emphasize and reinforce civilian control of the military, which contributes to domestic stability. The increase in IMET funding for fiscal year 2002 is absolutely the right course of action, providing a great return for a relatively small investment.

Partnership for Peace (PfP)

NATO's PfP program continues to meet its goal of deepening interaction, extending stability in Eastern Europe, providing consultation mechanisms for participants who feel threatened, assisting in the pursuit of democratic reforms, and preparing nations for possible NATO membership. Besides underpinning strategic stability in Central and Eastern Europe, the program provides a basis for cooperation with Central Asian states supporting our war on terrorism. By including partner nations in NATO combined joint task force (CJTf) exercises, we have increased coalition interoperability, which now allows partner nations to contribute to NATO operations in the Balkans and provide structure for regional security initiatives.

Regional Centers for Security Studies

The George C. Marshall European Center for Security Studies is at the forefront of our regional security cooperation efforts in Western and Central Europe as well as Eurasia. A jointly funded U.S. and German venture, the Center strengthens security cooperation among European nations and serves as an indispensable institution for bilateral and multilateral activities, and military and civilian exchanges throughout the region. The Marshall Center is an important part of our interaction with Russia. In fact, the Center's largest participating nation is Russia (147 individuals), with Romania second (127), and Ukraine third (125). Over 6,000 military and civilian leaders from North America, Europe and Eurasia have participated in Marshall Center programs since 1994. As a result, the Center has helped nations develop national security strategy documents, restructure crisis management programs, improve their defense management resource processes, properly balance military expenditures, and undertake responsible defense reforms. Marshall Center graduates continue to move into positions of increasingly greater influence. They now include over 50 Ministers/Deputy Ministers of Defense, Chiefs/Deputy Chiefs of Defense, cabinet officials, parliamentarians, ambassadors, and flag officers.

Building on the success of the Marshall Center, the Africa Center for Strategic Studies (ACSS) was established in December 1999. ACSS provides a series of seminars, symposia, conferences, and outreach programs designed to promote good governance and democratic values in the African defense and security sectors. The Center conducted two seminars in fiscal year 2001, the first in Gabon during February and the second in Ghana during August. In the absence of a permanent site on the

African continent, ACSS currently rotates the location of its seminars. Once ACSS is permanently located in Africa, it will be continuously and more effectively involved with the countries on the continent. The Center verifies America's long-term commitment to work with our partners in Africa, while enhancing our national strategy through relatively low-cost, high-impact engagement opportunities.

The mission of the Near East South Asia Center for Strategic Studies (NESA CSS) is to enhance stability by providing an academic environment where regional strategic issues can be addressed, partnerships fostered, defense related decision-making improved, and cooperation strengthened among military and civilian leaders from the region and the U.S. Located at the National Defense University in Washington, NESA CSS held its inaugural event 31 October 2000. Since its inauguration, the center has conducted three executive or senior executive level seminars, as well as a short seminar focusing on National Missile Defense. After 11 September, NESA CSS initiated a "Washington Seminar Series" on counterterrorism to foster a coalition to deal with this threat. Like ACSS and the Marshall Center, NESA CSS provides a low cost, high-impact engagement opportunity that solidifies America's commitment to work with Near East and South Asian partners in a way that supports our national strategy and objectives.

African Crisis Response Initiative

The African Crisis Response Initiative (ACRI) is a security cooperation activity designed to enhance the training and operational capabilities of African militaries for increased participation in multinational humanitarian relief and peacekeeping operations. The program is managed jointly by the Department of State and the Department of Defense (DOD), with USEUCOM designated by DOD as the executive agent for all military training. ACRI has trained militaries in eight African nations to date. The goal of ACRI is to institutionalize self-sustaining military skill sets and crisis response capabilities within African militaries. ACRI trained forces could be offered by their governments for peacekeeping and humanitarian operations upon request by the United Nations, the Organization of African Unity, subregional African organizations, or other multinational coalitions. ACRI works to shape the African military culture by promoting professional and apolitical militaries, reinforcing respect for human rights and providing a strong example of democratic, civil-military relations. Because ACRI promotes stability and security in a volatile region, USEUCOM supports continuing the program to include adding new partner nations and assisting current partners in sustaining proficiency. We should also expand the relationship with subregional organizations and increase crisis response capabilities at the multinational level.

THEATER ISSUES

Each unified command has its own high visibility issues within its geographic boundaries. This section addresses the most prominent of those in the USEUCOM area of responsibility.

U.S. Support to NATO

U.S. funding commitments to NATO are based on obligations agreed to at the North Atlantic Council (NAC), composed of representatives from each of the member nations. Shortfalls in U.S. funding for NATO have been chronic in the past and have only served to erode American credibility and thwart our national programs while forcing DOD to divert monies from other mission essential areas. I encourage Congress to recognize that full funding of our NATO commitments will help ensure the full execution of national programs, as well as the continued security and stability of Europe.

NATO Enlargement

NATO membership addresses a major preoccupation of Central European states with their national security by extending the common defense guarantee of Article V. While NATO has successfully evolved into an organization capable of conflict prevention and management, the Alliance's invocation of Article V following the 11 September terrorist attacks and the many contributions of NATO allies and aspirants to the counterterrorism effort, have demonstrated that NATO's collective defense role maintains value. Indeed, the war on terrorism has provoked new thinking about NATO's role in the future, as well as the benefits of admitting new members given the tremendous support of the aspirant nations in the wake of the attack. Nine nations—Albania, Bulgaria, Estonia, Latvia, Lithuania, the Former Yugoslav Republic of Macedonia, Romania, Slovakia, and Slovenia—all aspire to an invitation to join the Alliance during the Prague summit in November of this year. President Bush affirmed strong U.S. support for the open door policy, underscoring that the

U.S. “will be prepared to make concrete, historic decisions with allies to advance NATO enlargement” at Prague.

Ultimately, political factors and allied consensus will determine each aspirant’s suitability for membership. As our military contribution to this process, USEUCOM has provided detailed defense assessments of each aspirant’s military readiness to the Pentagon. The nine aspirants have greatly benefited from U.S.-funded defense reform studies and the NATO Membership Action Plan (MAP) with its associated Partnership Goals in addressing these challenges. These mechanisms have provided a valuable roadmap toward democratic military reform and interoperability.

Defense Capabilities Initiative

The objective of the Defense Capabilities Initiative, launched at NATO’s 1999 Washington summit, is to ensure the effectiveness of multinational operations across the full spectrum of Alliance missions. The Initiative’s two primary thrusts, improving national capabilities and exploring means to pool capabilities, allow our allies and partners to enhance interoperability, take advantage of economies of scale, and afford participation to those countries that lack the resources to act alone. The Defense Capabilities Initiative contains 58 classified objectives in 5 broad categories: deployability and mobility, sustainability and logistics, effective engagement, survivability, and command and control.

In June 2001, a North Atlantic Council Defense Ministers Session in Brussels acknowledged progress in some Defense Capabilities Initiative areas, but noted a number of critical and long-standing deficiencies in others. Emphasizing the political, diplomatic, and economic advantages afforded by multilateral operational capability, NATO Secretary-General Lord Robertson has repeatedly encouraged improved capabilities by two means: more efficient use of available resources, and when necessary, increased funding.

European Security and Defense Policy (ESDP)

The EU remains committed to developing a common ESDP among its members, and the 11 September attacks have enhanced that commitment. Clearly, this is a positive development. In our view, ESDP can strengthen Europe’s security posture as long as it is achieved in a manner that is complementary to NATO, not in competition with it. Both U.S. and NATO interests are best served by a relationship with the EU that results in transparency and cooperation. Accordingly, U.S. leadership must continue to assist efforts to harmonize NATO and EU policies and avoid duplication of command, control, communications, computers and intelligence (C4I) structures and processes. NATO’s Supreme Headquarters Allied Powers Europe (SHAPE) should continue to play the central role in military planning to meet crises and contingencies. Likewise, if the EU were to create a duplicate planning headquarters, it would only serve to make it more confusing to develop coherent plans and hence, complicate the process of gaining the consensus needed to act. The EU should also seek to avoid investing limited resources in ESDP capabilities that are redundant with, as opposed to complementary to, NATO capabilities. Equally important is avoiding the imposition of dual mission requirements on units and resources already stretched thin. The best way to do this is to give the Deputy Supreme Allied Commander a robust role as strategic coordinator for both NATO and EU-led operations.

Missile Defense

The evil of terrorism is a real global threat, with certain radical groups and nations willing to utilize any available weapon of mass destruction to further their cause. As potentially hostile states work to develop long-range missiles to coerce and threaten countries in North America and Europe, we must be prepared to respond to the worst possible threats. As the President has made clear, we must have a missile defense capability that protects not only the U.S. and our deployed forces, but also our friends and allies. As we develop missile defense, USEUCOM will continue to consult with our friends in the AOR. The argument that Europe would be more secure if the U.S. were less secure from a missile attack is unreasonable. An America less vulnerable to accidental or rogue attack will be less distracted from the issues associated with European defense and other common security interests. What we have found in discussions with our allies is not necessarily an argument with the concept of a missile defense, but rather concern for the future relationship between the U.S. and Russia. These concerns have softened significantly following the discussions last year between Presidents Bush and Putin. NATO Secretary-General Robertson, in tandem with U.S. policymakers, also continues to develop this issue through NATO’s political structure.

REGIONAL CONSIDERATIONS

Russia

Although newly assigned to USEUCOM's AOR [UCP Resolution Dependent], Russia clearly plays an immense role in the theater. U.S. and Russian forces maintain excellent working relationships within the two Balkan missions, SFOR and KFOR. Everyday, troops from our two countries conduct combined training and execute common missions side-by-side as we continue to strengthen stability in the region. In addition to the strong cooperation in the Balkans, USNAVEUR has taken a leading role in security cooperation between the U.S. and Russian Federation navies. The Russian Federation Navy participated in this year's BALTOPS 01 exercise, and recent events between the Russian Black Sea Fleet and the U.S. Sixth Fleet have shown that our respective naval forces can successfully operate together. Planning for future events continues, as a Russia-U.S.-U.K. working group conference hosted by the Royal Navy in London laid the groundwork for a five-day conference and wargame to be held in May 2002. The shared threat of international terrorism, particularly that propagated by Islamic extremists, offers the chance for further political, diplomatic, and, potentially, military cooperation.

While there are several signs of improvement in the U.S.-Russian military relationship, the Russian military has not yet completely committed itself to a wider, long-term security cooperation program. Although President Putin currently supports U.S. efforts to combat terrorism, Russian defense officials remain cautious of U.S. motives and intentions, particularly in Central Asia and the Caucasus. Still, the Putin administration's increased interaction with both the U.S. and NATO, offers us new opportunities to reduce suspicions and build mutual trust.

Caucasus

The importance of Caucasus oil and gas reserves and their ability to meet growing European energy needs, comes precisely at a time when Russia is still immersed in its yet to be completed social, political, and economic evolution. It also comes at a time when China is emerging as a major regional economic and political power, with vastly increased energy requirements. With relief from the restrictions of Section 907 of the Freedom Support Act, USEUCOM can more effectively embark upon a program of military interaction in the Caucasus. Contacts with Azerbaijan and Armenia will ensure these countries are exposed to a long-standing democratic military model, and will also enable us to exploit the opportunities these countries, particularly Azerbaijan, offer the United States in support of the war on terrorism.

Azerbaijan is integral to the stability of Eurasia. Its geo-strategic position; pro-western economic, political and military orientation; and its abundant energy resources, have already proven to be high priorities for USEUCOM security cooperation efforts. Azerbaijan's cooperation, as demonstrated through the offer of its airfields during OEF and its hosting of a NATO PfP exercise, sends a positive signal of its commitment to be a valuable and reliable ally. A stable Azerbaijan is necessary not only because of its vast energy deposits, but also because it can help forestall terrorism and the proliferation of weapons of mass destruction.

Armenia, historically a strategic partner with Russia, has also persistently and vocally pursued closer ties to the U.S. at the highest levels. Armenia's motivation lies in its eagerness to enlist the U.S. to mitigate historically hostile relations with Turkey and attract potential economic development assistance and investment that Russia cannot provide. Armenia has asked for U.S. advice on establishing a program of instruction for a national military senior service college and for help in establishing peacekeeping units that could participate in international efforts such as the Balkans. With relief from the restrictions of Section 907, USEUCOM will be able to take advantage of these opportunities.

Our military interaction with Georgia has continued to increase since that nation was added to USEUCOM's AOR 4 years ago. Georgia hosted its first multinational NATO PfP exercise with USEUCOM support in 2001, providing a good example of the kind of security cooperation opportunities we can achieve, not only there, but also potentially in Azerbaijan and Armenia. Based on Department of State guidance, USEUCOM is considering an ambitious program to assist in the reformation of the Georgian armed forces, from top to bottom, to provide the government of Georgia the ability to better defend and secure its sovereignty. It is important to note that Georgia's internal security situation has only recently begun to stabilize, and we remain concerned about the presence of terrorist-related activities there. We are addressing these concerns in our own counterterrorism campaign.

Middle East

Israel, Syria, and Lebanon lie within USEUCOM's area of responsibility, and, of course, this is an area where tensions continue to run high. Our extensive military security cooperation with Israel continues. The U.S. is actively involved at all levels with the Israeli Defense Force in joint research and development projects, combined civil-military projects, joint commercial ventures, military-to-military discussions, military exercises and many high level military and civilian visits. The U.S. provides Israel with over \$2 billion annually in foreign military financing.

Due primarily to its position on the State Department's list of state sponsors of terrorism, Syria currently receives no U.S. economic aid or support, is ineligible for any security assistance programs, receives few political visits from U.S. leaders, and maintains no routine military-to-military contact with USEUCOM. Similarly, our aid to Lebanon is nominal, including only a small amount of IMET funding. While Syria and Lebanon condemned the al Qaida attacks, they disagree with our identification of groups such as Hizballah as foreign terrorist organizations. They instead view such groups as "freedom fighters" battling against foreign occupation. We must endeavor to persuade Syria and Lebanon to join us in actively combating international terrorist groups.

North Africa

Most nations of North Africa have condemned the 11 September attacks and have offered varying levels of support to our efforts to fight terrorism. Morocco and Tunisia remain two of our staunchest long-term allies on the African continent, and we regularly conduct exercises and other activities with their armed forces. Both traditionally have been moderate voices in the Arab world, and we will continue to rely on them to help stem the tide of terrorism and radical extremism.

Our current engagement strategy with Algeria is characterized by a slow, measured approach. While military security cooperation is closely tied to Algerian progress in implementing political and economic reform, the attacks on 11 September have brought about an interagency effort to increase cooperation with Algeria, specifically in those areas that will aid in countering terrorism. For example, small investments in border security will increase regional stability and reduce the threat of transnational terrorism emanating from Algeria.

Libya has long been a key source of tension in North Africa. Qadhafi's traditional support to various subversive and dissident groups has been detrimental to regional stability and opposed to U.S. goals in Africa. Recently, however, as Qadhafi has attempted to reenter the world stage, Tripoli has made overtures seeking to normalize relations with the U.S. While it is too early to determine the legitimacy of these overtures, we should determine the best interagency approach to influence Libya's policy against terrorism, while promoting regional stability.

Sub-Saharan Africa

Sub-Saharan Africa is a geographically immense and diverse region. Significant economic, ethnic, cultural, political, and environmental differences have contributed to a climate of conflict and instability in which no fewer than three major conflicts rage and others continue to smolder. Although there are pockets of terrorist-related activities in this region of Africa, we also find examples of peaceful change. There is ample evidence of democratic governance and integration of former opponents into governments and militaries earnestly striving for the advancement of the nations they represent and defend. Our challenge at USEUCOM is to accentuate these positive trends while helping to contain and resolve problems. USEUCOM has identified several objectives for its military cooperation activities in Sub-Saharan Africa, primarily based on the need to protect U.S. citizens or assets and support the global war on terrorism.

Finally, one cannot address Sub-Saharan Africa without considering the Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome (HIV/AIDS) epidemic. This human tragedy is characterized in some areas by infection rates reaching 40 percent. This will be a destabilizing factor for years to come. USEUCOM seeks to ameliorate this disaster by leveraging tools such as the Department of Defense HIV/AIDS Prevention Program to support AIDS education and behavior modification efforts in African militaries. The goal is to prevent the spread of the virus when African armies deploy to support peacekeeping operations and respond to humanitarian crises.

CHALLENGES AND SHORTFALLS

USEUCOM faces a number of challenges as we seek to best posture our forces for success against present and emerging threats to U.S. national interests. This

section describes some of those challenges and how we are meeting them, and requests your assistance in addressing some of our shortfalls.

Antiterrorism / Force Protection (AT/FP)

We view force protection in the accomplishment of our mission as a primary concern. The attacks on 11 September served as a painful reminder that terrorism can strike anywhere and at anytime. As we weigh our current intelligence capabilities in theater against the layered deterrent imperatives required for this new operational environment, we need your support to improve several areas. I will focus on our needs regarding infrastructure later in this statement, but at this point, I would like to address some other aspects of force protection.

We are enhancing our security posture both through improved physical measures at our installations and by improving intelligence gathering and sharing with our coalition partners and law enforcement agencies to afford timely warning. Our programs and posture have increased dramatically in recent years to include public awareness, training, physical security upgrades, and formal agreements with U.S. ambassadors that clearly delineate force protection responsibilities for DOD personnel. In June 2001, we updated our USEUCOM AT/FP Operations Order to include recommendations from the Cole Commission. We also developed a program called the Vulnerability Assessment Management Program to track installation vulnerabilities and to take corrective actions when necessary. We trained 170 new unit level AT/FP officers in fiscal year 2001. Over the last year, we began developing a database called the Joint Risk Assessment Management Program to capture intelligence, operational, and logistical information and provide threat and vulnerability assessments for forces in transit in our theater.

We have augmented these efforts with a new, complementary database that captures all local, USEUCOM-reported incidents and actions that might be related to terrorist activity. With these tools, we seek to improve the networked operations of warfighters in USEUCOM, other U.S. agencies, and our allies. We have broken new ground with DOD and non-DOD law enforcement agencies to integrate into our data networks their sensitive information and intelligence in order to gain a clearer picture of terrorist activity. Our law enforcement and counterintelligence elements provide access to foreign counterparts and serve as conduits for time-sensitive information exchange. As a result, we have been able to provide timely intelligence information to foreign law enforcement entities regarding suspected terrorist travel and activity, resulting in surveillance operations, arrests, and detentions. Moreover, information provided to us by foreign law enforcement and counterintelligence counterparts has allowed us to refocus our own limited intelligence assets.

We are working closely with other U.S. agencies, like the Federal Bureau of Investigation, and with our partner nations to eradicate support for global terrorism through a wide range of military, law enforcement, and economic means. While we have witnessed many successes in this effort, I am still concerned that we do not have the most efficient and effective processes to attain information dominance and decision superiority in this war. We need to examine ways for new technologies and information exchange to enhance our success. For that reason, we created a Joint Interagency Coordination Group to strengthen the relationship with all government agencies and USEUCOM partners on terrorist activities in this theater. We received strong support from the Secretary of Defense and the Chairman, Joint Chiefs of Staff in this effort. Several ambassadors in the region have also been very supportive. In order to defeat terrorist networks, it is essential to improve coordination among all instruments of national and international power that contribute to this objective. Your continued support of U.S. involvement in this and related activities is important and appreciated.

Theater Basing

Last August the Secretary of Defense directed that all combatant commanders review their overseas basing requirements and examine opportunities for joint use of facilities and land by the services, consolidation of infrastructure, and enhanced training. USEUCOM will submit the findings of this Overseas Basing Requirements Study (OBRS) to the Joint Staff in March. In addressing the OBRS, we are seeking basing efficiencies through a detailed review of existing infrastructure utilization. By identifying potential excess installations and means of making more efficient use of our existing infrastructure, we are ensuring that our future military construction (MILCON) and sustainment, restoration and modernization (SRM) investments are focused on enduring installations.

Much of the groundwork for the OBRS was well underway over a year ago when USEUCOM established a formal theater basing working group in an effort to bring together the basing plans of each of our service components, address the issues that

cross service lines, and best posture our in-theater forces to meet current and emerging threats. The release of the Quadrennial Defense Review (QDR) provided the working group with the force structure information needed to pursue an appropriate basing strategy. The QDR does not cite any significant changes in force structure in the European theater other than planning for an Interim Brigade Combat Team (IBCT) over the Future Years Defense Program (FYDP). Preliminary planning for IBCT conversion is underway and is reflected in USAREUR's efficient basing initiatives.

USAREUR's Efficient Basing East (EBE) consolidation is currently in the design phase. In addition to the \$25 million appropriated by Congress for the design phase, \$68.7 million of construction funding will be part of DOD's fiscal year 2003 MILCON request. Consistent with the objectives of the OBRS, EBE is an initiative to enhance readiness, gain efficiencies, and improve the well-being of 3,500 soldiers and 5,000 family members by re-stationing a brigade combat team (BCT) from 13 widely dispersed installations to a single location in Grafenwöehr, Germany. Executing this initiative will facilitate command and control, lower transportation costs, allow for better force protection, improve access to training areas, eliminate over 5 million square feet of excess inventory, and reduce annual base operations costs by up to \$39.5 million. USAREUR's other major basing initiative, titled Efficient Basing South (EBS), is likewise consistent with the OBRS objectives. EBS, which consists of adding a second airborne battalion in Italy in the fiscal years 2002–2004 timeframe, will provide USEUCOM with enhanced early entry capabilities and increased flexibility. To reduce the total cost, USAREUR plans to base this unit at their existing facility near Vicenza. Approximately \$120 million in additional MILCON funding in fiscal year 2003 has been included for the expansion of barracks, child development centers, and schools to support this efficient basing initiative.

USAFE is also working to consolidate its geographically separated units throughout the AOR to its enduring, major operating bases. Similarly, USNAVEUR is proceeding with consolidations at Gaeta, La Maddalena, and London. Finally, in coordination with U.S. Special Operations Command (USSOCOM), we are investigating potential joint basing options for Special Operations Forces (SOF) stationed in our AOR. This, too, will provide greater crisis response capabilities, enhanced joint training opportunities, and improved efficiencies.

Intelligence, Surveillance, and Reconnaissance (ISR) Shortfalls

USEUCOM requires an integrated architecture to collect, collate, filter, and process data from disparate sources of information, allowing analysts to detect, identify, analyze and predict potential threats within our AOR. DOD initiatives to provide unified commanders with organic, multi-discipline intelligence collection capabilities—to include airborne collectors like unmanned aerial vehicles and measurement and signature intelligence (MASINT) capabilities—are particularly helpful in this regard. We appreciate your support for these and similar initiatives that enhance our ISR architecture.

En Route Infrastructure

En route infrastructure is critically important for strategic deployment and sustainment. Here again, the war on terrorism provides a useful example. Throughout Operation Enduring Freedom, USEUCOM and USTRANSCOM have partnered together with our NATO allies to support USCENTCOM. The European En Route Infrastructure Steering Committee provided the framework for this successful partnership and is the mechanism we must leverage to improve deployment capabilities. Virtually all of the forces and supplies transported to USCENTCOM went through and were supported by infrastructure belonging to our NATO southern flank allies: Portugal, Spain, Italy, and Turkey. The Spanish bases, Moron and Rota, in particular, are essential to ensuring optimal force flow in contingency operations; but they are not as well developed as we would like. While our allies have given their approval for our construction projects and all remaining construction is in the FYDP, we must maintain our commitment.

Air Traffic Control

The tremendous growth in the air traffic and communication industries in Europe presents increasing challenges for air traffic control agencies, civil air carriers, and military aviation. At the same time, expansion of communication technologies is threatening to overtax a limited radio frequency spectrum. To address these challenges, many countries are mandating more efficient air traffic communications systems and avionics. Due to its current air traffic congestion, Europe is leading worldwide implementation in this regard. Accordingly, we need to equip our aircraft with the new communications capabilities they require for flight in European airspace.

KEY SUPPORT IN THEATER

Considering the scope of our mission, along with the size and diversity of our AOR, we rely extensively on support from several organizations. I would like to point out the contributions of a couple of those organizations, in particular, upon which we rely daily.

Reserve Units

The variability of USEUCOM missions and requirements demands full access to the total spectrum of service capability offered by the Reserve components (RC). Quite simply the mission cannot be accomplished without RC assistance across the full spectrum of operations. In fiscal year 2001, the RC provided approximately 1.5 million man-days of support to the theater. This figure represents the equivalent of an additional 3,981 full time service members in theater.

Over the past year there were on average 2,800 RC service members deployed in support of Balkans operations at any one time. They currently provide 60 percent of U.S. forces in SFOR and 10 percent of U.S. forces in KFOR. Since the start of Balkans operations, there have been over 14,000 Army reservists and over 9,000 Army Guardsmen deployed to the Balkans. We also requested the mobilization of nearly 150 Reserve members to augment HQ USEUCOM for Operation Enduring Freedom. USEUCOM's four Joint Reserve Intelligence Connectivity sites in the continental United States—another invaluable RC contribution—play an integral role in the theater intelligence analysis and production architecture. The reservists at these sites provide 40 percent of the Joint Analysis Center's (JAC) scheduled production, allowing the JAC the flexibility to reorient its production effort to support expanding contingency operations.

Reserve component contributions in support of USCINCEUR's Theater Security Cooperation plans are also significant. RC forces are a primary source of manpower for USEUCOM's Joint Contact Team Program and the PFP exercise program. RC forces and service members provide real world contributions through unilateral and combined exercises involving USEUCOM, NATO partners, and PFP countries. This RC involvement is the primary way to lower the active force operating tempo and capitalize on providing Reserve expertise to enhance USEUCOM exercises.

Another important security cooperation program carried out by Reserve Forces is the State Partnership Program (SPP), which assists partner nations in making the transition from authoritarian to democratic governments. This program matches emerging democracies in the AOR with partner states in the U.S. Currently there are 19 states partnered with 17 foreign nations in the AOR. This past year was extremely successful as National Guard soldiers and airmen conducted over 250 events with partner nations. Civic leader visits to SPP partner nations are particularly important. Relations that began as simple military-to-military contacts within the SPP have blossomed into associations encompassing nearly every facet of society—unit partnerships, sister cities, student exchanges, scientific collaborations, and business ties. This ability to interact with our partner nations in all sectors of society is the key strength of the SPP. It has acted as a stabilizing influence throughout the USEUCOM AOR, and will continue to do so in years to come.

SPP has been so successful that USEUCOM is aggressively seeking funding to expand the program to Africa, starting with South Africa and Morocco. Although the challenges faced by African nations differ from those of Eastern Europe, many nations are ready for the opportunity that SPP provides. For a small investment, we can provide candidate nations access to the expertise of an entire state government infrastructure ranging from public health to wildlife management. A state government more closely resembles the government structure of a small African nation. The SPP will serve as a tremendous complement to our traditional African engagement activities.

National Intelligence Support

USEUCOM depends heavily on other government agencies for the intelligence and information needed to meet our mission requirements. The Defense Information Systems Agency—Europe (DISA-E) provides critical long-haul and other communications to USEUCOM, service components, and coalition partners during peacetime, contingencies, and wartime. DISA actively supports SFOR, KFOR, ONW, and other USEUCOM missions by engineering the communications needed to transport intelligence data from multiple collection sources via processing points and on to the warfighters. DISA is also developing the Global Information Grid, which promises to enhance our ability to maintain information superiority on the battlefield by increasing information access and transfer rates. We also depend heavily upon the Defense Intelligence Agency (DIA). DIA's Defense Human Intelligence (HUMINT) Service—to include both the Defense Attaché System and the Forward Operating

Bases—routinely provides critical information, and we strongly advocate expanding this program in the USEUCOM AOR. DIA's resources are critical to our counterterrorism efforts as well as to our other ongoing contingency operations. Another DIA initiative, the Joint Intelligence Task Force-Combating Terrorism (JITF-CT), is providing a much-needed conduit for strong collaborative doctrine and interoperable databases to service the unified command customer.

Critical to these DIA efforts will be the release of data from the Central Intelligence Agency and the National Security Agency (NSA). NSA products and services continue to be force multipliers for USEUCOM, and we support NSA's transformation to a distributed architecture that promises to enhance the synergy between national and tactical signals intelligence (SIGINT) assets. Our SIGINT analytic capability must be robust and must keep pace with technology. Finally, the National Imagery and Mapping Agency (NIMA) provides important geospatial information, imagery, and imagery analysis to support USEUCOM operations. NIMA has repeatedly demonstrated its responsiveness to USEUCOM crisis operations; however, the geospatial resources required to support the global operations needed to meet today's crises are limited. Moreover, NIMA, and the intelligence community in general, suffers from a lack of experienced imagery analysts which threatens our ability to provide timely and accurate indications and warning and to support ongoing operations throughout the theater. We hope that you will look favorably upon providing DISA, DIA, NSA, and NIMA the resources they need to effectively support us.

U.S. Transportation Command (USTRANSCOM)

Recent operations, including OEF, well illustrate the unified commands' critical dependence upon the strategic mobility afforded by USTRANSCOM. Quite frankly, without USTRANSCOM's strategic lift support, we would be hard-pressed to execute OEF or virtually any other contingency operation. The recent QDR and defense plans indicate an increased demand for strategic airlift support, and USTRANSCOM merits your help in this regard.

INFRASTRUCTURE: USEUCOM'S FOREMOST INVESTMENT NEED

The quality of our theater infrastructure impacts everything we do in USEUCOM. Sound infrastructure is critical to conducting our mission and to providing our service members and their families with an appropriate quality of life. Taking care of people enhances readiness, retention and, ultimately, mission accomplishment. To this end, the service men and women of USEUCOM should be afforded a standard of living equal to their counterparts stationed at home. To be quite frank, we are not there yet, and we need your support to make this imperative a reality. To simultaneously contribute to the global campaign against terrorism, maintain our ability to rapidly respond to regional threats to U.S. interests, and afford our forward-based forces a reasonable level of force protection and a suitable quality of life, we specifically need you to invest in four inter-related facets of our infrastructure. These four facets are improved force protection and antiterrorism measures; sustainment, restoration, and modernization (SRM) of our enduring facilities; new MILCON; and command, control, communications, and computers (C⁴) enhancement.

Antiterrorism /Force Protection (AT/FP) Infrastructure Improvements

USEUCOM components received \$30.4 million in fiscal year 2001 Emergency Supplemental funding following the 11 September attacks. We greatly appreciate Congress' efforts to provide us with this much-needed infusion of resources, which allowed us to significantly improve our secure communications capabilities, upgrade our physical security, and generally increase the protection of our installations. The Chairman of the Joint Chiefs of Staff Combating Terrorism Initiative Fund has also been instrumental in mitigating some of our force protection vulnerabilities. In fiscal year 2001 the command received \$5.8 million in these funds, which helped eliminate some weaknesses identified through vulnerability assessments.

While Emergency Supplemental funding and Combating Terrorism Initiative Funds are steps in the right direction, adequate resources continue to be a major challenge for AT/FP service priorities. As mentioned earlier, we have taken several procedural steps to improve our force protection posture through enhanced coalition intelligence and early warning systems, but we must still address physical installation vulnerabilities. Assessments at both the theater headquarters and component levels by the Defense Threat Reduction Agency's Joint Staff Integrated Vulnerability Assessment program have helped identify installation vulnerabilities and underscored the need for additional funding. We reviewed our most critical AT/FP shortfalls and prioritized our remaining unfunded requirements. These include strengthening U.S. facilities against chemical, biological, and radiological threats

and mass casualty-producing explosive devices, as well as improving the access control features at installation entry points.

Sustainment, Restoration, and Modernization (SRM)

Sustaining, restoring, and modernizing our work and living environments are critical to USEUCOM mission accomplishment. DOD has programmed full funding for USEUCOM housing SRM, but working areas and facilities continue to be a concern. Like barracks and family housing, the work environment is improving, but at a slower rate. Throughout the theater there are still work environments that are overcrowded and have inadequate and inefficient lighting and heating systems. From runways to repair docks to billeting and housing areas, the infrastructure that supports our operations and people has been underfunded for many years. As might be expected, this problem has compounded annually.

The average age of our facilities is now 32 years old, and our oldest facilities are 90 years old. Over 80 percent of the installations in USEUCOM are assessed as C-3, meaning that there are significant facility deficiencies that prevent performing some missions. Yet SRM to revitalize and modernize USAREUR and USNAVEUR installations is currently underfunded by \$1.3 billion and is barely funded to sustain their present condition. The Air Force recently committed to fully fund sustainment for USAFE through 2007 and to start funding restoration and modernization toward the DOD goal with the intent of improving facilities to an acceptable level by 2010.

Military Construction

We have begun to make the significant investments needed over the next decade to enhance our support infrastructure and take care of our most valuable resource—our people. Positive results continue from the increased funding we have received over the past 2 years, to include the \$360.9 million approved in fiscal year 2002 (including \$94.6 million for DOD agencies in the theater). The Command's service members and families see the positive trend in our infrastructure and are grateful to Congress for providing the funding needed to make this possible. However, a great deal of our infrastructure remains inadequate and our service members continue to work in dilapidated facilities spread over inefficient, geographically separated installations. In many places we are still working to replace temporary, container office space with quality construction. In short, we need your continued investment to replace some of our single service member and family living quarters, work facilities, and quality of life infrastructure.

The majority of our fiscal year 2003 MILCON budget request for non-family housing is comprised of barracks and similar quality of life requests, while 34 percent of the requested funding is dedicated to work environment facilities. This 34 percent constitutes eight projects with a value of more than \$110 million. We greatly appreciate your prior approval for the planning and design of the Efficient Basing East (EBE) initiative. This initiative is one that will provide new and efficient workspace for service members while gaining installation management efficiencies that will save taxpayer dollars. The first two MILCON projects to support EBE are in the fiscal year 2003 MILCON budget with a combined value of \$59.3 million, along with \$9.4 million for site preparation.

Funding to meet the DOD requirements for quality housing for service members and their families continues to be a critical element in attracting and retaining the high caliber personnel who make our military forces the best in the world. Our components remain on track to meet the earlier DPG requirement for the year 2010, and are presently working with their respective service headquarters to meet the current DOD requirement to eliminate sub-standard family housing units by 2007. Inadequate living conditions do not convey the message we want to send to the young, committed patriots who volunteer to serve their Nation overseas.

Build-to-lease housing is an option that provides quality accommodations with no capital investment and no acquisition of land from the host nation. The largest in-theater build-to-lease housing project to date will be the Residenza dei Marina complex to support the U.S. Naval Air Station, Sigonella. This complex is presently under construction and will provide 526 units of quality family housing with due regard for force protection measures. This area will be owned and maintained by the contractor and the lease is for 10 years with extension options. If at some time in the distant future this housing is no longer needed, we will end our contract and walk away because we own and owe nothing. This same concept will be applied to the build-to-lease housing presently planned to support USAREUR's families that move to Grafenwöehr as part of Efficient Basing East. DOD has programmed full funding for USEUCOM housing through fiscal year 2009 with a total of \$2.3 billion. We need your support to keep this critical quality of life program on line.

Command, Control, Communications, and Computers (C⁴) Infrastructure

Theater C⁴ infrastructure shortfalls remain another of our most critical concerns. Our World War II-era C⁴ infrastructure continues to compromise our ability to communicate within and outside of the theater and deprives our posts, camps, stations and bases of the robust communications foundation needed to transition to network-centric operations. Our forces in theater are experiencing connectivity speeds similar to a home computer operating over a dial-up modem. Given the new strategic era and the internal and external challenges we face, it is imperative for both force protection and operational capability that we equip our people with the best capabilities to collect, process, and disseminate time-sensitive information quickly and accurately.

OTHER QUALITY OF LIFE PROGRAMS

Beyond our infrastructure there remain a few other issues that impact the quality of our service and family members' lives. Schools and health services, in particular, have a significant effect on our personnel readiness.

Department of Defense Dependent Schools (DODDS)

The quality of programs provided by DODDS in Europe ranks very high as a quality of life indicator for both military and civilian members of the Command. Continued congressional support for full-day kindergarten (FDK) and an optimal pupil-to-teacher ratio (PTR) for fiscal years 2000 and 2001 has produced substantive improvements. However, planned and programmed upgrades, alterations, and new construction in fiscal year 2003 remain crucial for meeting successful, timely program completion. FDK and a reduction of PTR in the first, second, and third grades provide services similar to those available to CONUS students. DODDS needs your continued support to implement FDK and PTR initiatives and to ensure adequate facilities are available for improving student achievement during the critical early stages of learning.

Children overseas lack the options available to CONUS families for remedial and enrichment summer academic programs. Parents in Europe continue to urge commanders to offer no-fee school options for students overseas on par with what is available to students in the U.S. Funding and staffing have been the main impediments to offering these options, as Congress has not authorized DOD to use appropriated funds for summer school support. Congressional support for the DOD proposal to authorize a summer school program free of charge in overseas school systems would be greatly appreciated.

Health Care

USEUCOM health services are pursuing several initiatives and programs designed to optimize health care support to our beneficiary population. We continue to improve or replace our aging facility infrastructure (in line with the Efficient Basing programs) with several major construction efforts. Our emphasis continues on improving our communications pathways to support state-of-the-art medical technology, diagnostic digital imagery, and automated medical information communications. We have improved health care availability for all beneficiaries with the TRICARE for Life and TRICARE Plus programs and the "Open Access" initiative. The Women, Infants, and Children (WIC) program provides essential nutritional education and nutritious food support to young, needy mothers and their children within the military community. WIC was implemented at several pilot sites and efforts continue to expand this program across the European military community. Due to your support, health care is a positive contributor to quality of life in the USEUCOM community.

CONCLUSION

While we in USEUCOM are confronted by a vast array of challenges as we carry out our diverse missions, we have maintained our ability to respond to the full spectrum of conflict, from humanitarian assistance to major theater war and nuclear deterrence, and have done so with a moderate amount of resources and a reduced force presence. We are actively engaged today in the global campaign against terrorism and have developed a broad, multifaceted plan to defeat terrorism throughout our AOR. Our on-going operations, particularly with respect to the Balkans, have, thus far, been successful. While regional challenges remain and the risks of setbacks are ever-present, we remain optimistic that USEUCOM's continued activities will bring about the desired military end-state sought by the U.S., its allies and responsible regional entities. Security cooperation in the theater continues to pay significant dividends, recently highlighted in the support provided by our allies in the war

against terrorism. U.S. security cooperation efforts in the theater help ensure continued cohesion between our traditional military counterparts, and sow the seeds for future cooperation in new areas such as the Caucasus.

Throughout this statement, I have outlined many needs for your support, but none is greater than the need to improve our long-neglected infrastructure, and this remains my foremost priority. To simultaneously contribute to the global campaign against terrorism, maintain our ability to rapidly respond to regional threats to U.S. interests, and afford our forward-based forces a reasonable level of force protection and quality of life, we need your continued investment in our infrastructure. To this end, we invite you to come and visit our installations, and scrutinize our plans to ensure that we are wisely investing the American people's treasure. Interact with our young service men and women as they perform their daily operations and view their work environment and living arrangements. They continue to be our best spokespeople, and I think you will be, as I am, immensely proud of them.

In closing, I would like to thank Congress for its continued support, without which our soldiers, sailors, airmen, marines, and Coast Guardsmen would be unable to perform the tasks assigned to them by our Nation. With your continued assistance, they will remain ready and postured forward to defend freedom, foster cooperation and promote stability throughout Europe, the Middle East, Eurasia, and Africa. I sincerely appreciate this opportunity to outline the state of the U.S. European Command and will be pleased to provide the committee with any additional information it may require.

Chairman LEVIN. Thank you very much, General Ralston. Thank you all for very helpful statements.

I have a couple of questions which are not directly related to today's subject, but which are very pressing and very much on the mind of many of us and of our public. First, General Ralston, relative to the situation in the country of Georgia, yesterday a senior U.S. official said that the Pentagon will soon begin training several Georgian battalions to counter the growing terrorist threat in Georgia's Pankisi Gorge region. Today Russian officials expressed some concern about that mission. Has the decision been made to carry out this train and equip mission in Georgia?

General RALSTON. Mr. Chairman, let me give a little bit of an explanation before I answer directly to that.

Chairman LEVIN. Let me interrupt for one second. We will have an 8-minute round the first round, so if you could keep all your answers brief. We will go in strict early bird order. I mistakenly deviated from that in one instance and we will have to go back to a strict early bird order. I thank the Senators who understand the mistake that I made.

Now, General Ralston, let me go back to you.

General RALSTON. Mr. Chairman, Georgia is a member of Partnership for Peace. I was tasked last fall to send an assessment team to Georgia, which we have been working with for many years, to see if there was something that could be done to help them in their anti-terrorist efforts in Georgia. That assessment was provided to the Pentagon in December. I have not been given any tasking or any order to carry out that mission. We are prepared to do so if given the order, but to my knowledge a decision has not been made, because I have not been tasked to do that.

Chairman LEVIN. Thank you, General.

Secretary Feith, there is a quote this morning on the Internet by the official spokesman of Russia's Ministry of Foreign Affairs, Mr. Yakavenko, regarding the Russian-American talks at the expert level focusing on the progress in preparing a draft treaty on reduction of strategic offensive arms. This is what he said: "There is some progress. First of all, a common understanding was reached

that a treaty on the reduction of strategic offensive arms will bear a legally binding character and the sides will submit it for the consideration of their legislative bodies.”

Is that accurate?

Mr. FEITH. Mr. Chairman, what we agreed to is that there would be an agreement of a legally binding nature. We did not make a decision as to whether that agreement would be a treaty or what is known as an executive-legislative agreement.

Chairman LEVIN. Thank you.

One other matter. Mr. Feith, I wrote Secretary Rumsfeld a letter, which is apparently now in your office for drafting a response, regarding the proposed Office of Strategic Influence. I know now the decision has been made not to proceed with it. I asked for a number of documents, and I had other questions. Will that information be forthcoming promptly to me?

Mr. FEITH. Yes, it will, sir.

Chairman LEVIN. Thank you.

Let me ask General Ralston this question relating to the possibility that there be some role specialization within NATO. British Defense Secretary Hoon is reported to have stated recently that the European allies should seek to improve their defense capabilities by cooperation among themselves and perhaps role specialization. Can you give us your views as to whether you believe that role specialization, particularly on the part of smaller European nations, might be appropriate as a way of addressing some of the new threats and capabilities which we are all struggling with relative to both existing members and new members of NATO?

General RALSTON. Mr. Chairman, a complex subject, but I will give you a short answer. I think some of it is appropriate. We have a defense planning process where all the nations come together. We try to make sure that we have the capabilities that we need.

Let me give you an example. Let us take the Czech Republic, one of the new members that has just come in. The Czech Republic has very good chemical, biological, and radiological defense capabilities. They have provided those capabilities to us. This is an example where a country has a certain expertise and if you call that specialization then I think that is good for the Alliance and it is something that could be looked at in a broader context.

Chairman LEVIN. Is there a possibility of new roles and missions, particularly the possibility of NATO special forces?

General RALSTON. This is something that the nations have to look at. Right now many of the Alliance members have extremely capable special forces. That is not the issue. I think the issue is whether NATO should have NATO special forces, like NATO AWACS. There are some significant issues with that and I think that is something we just have to look at.

Chairman LEVIN. Will you keep us informed on any progress along that line?

Mr. FEITH. Yes, sir, I will.

Chairman LEVIN. Thank you.

I believe that Secretary Feith made the statement that the results of the commitment of NATO allies in 1998 to improved capabilities in five functional areas has produced, in his words, meager results. General, would you give us your assessment on the overall

result of our NATO allies in achieving the objectives of the defense capabilities initiative which was launched by Secretary of Defense Cohen in June 1998?

General RALSTON. Mr. Chairman, first of all, the Defense Capabilities Initiatives (DCI) were 58 specific issues. They were broken down among the five categories, but they included such things as strategic lift, for example. While some progress has been made on some of the issues, I would have to tell you that my overall assessment is that it has not been as successful as what any of us wanted. We still have, I think, some very glaring holes in our capabilities, strategic lift being one of them in order to get troops anywhere soon.

One of the things that is being looked at is the A-400M Airlifter, if you will. That has not moved forward, although there is a lot of talk and a lot of rhetoric about it. I might add that if it did move forward it would be 2008 or 2010 before we would have the first one. That is the type of thing that I think needs to be worked on very hard.

Chairman LEVIN. Thank you.

Secretary Feith, you mentioned that you visited the Russian defense ministry. You discussed NATO enlargement, I think you said, with them. What was their reaction to it, briefly?

Mr. FEITH. We discussed actually the NATO-Russian relationship. I do not think we explicitly discussed NATO enlargement.

Chairman LEVIN. Thank you.

Let me ask Secretary Grossman this question. It is one I have been concerned about. In a way it goes back to Senator Sessions' question about the difficulty of getting consensus when it comes to something like targets. It is a very debilitating kind of a requirement in the middle of a war.

I want to push that problem beyond even what Senator Sessions has raised, to a more fundamental problem, but which is similar. What happens if a NATO member no longer is committed to the fundamental values, as we have talked about here, of NATO? What happens if it turns from democracy to dictatorship? The more countries that are involved in NATO, the greater the statistical likelihood of that happening, without any identification of any country where it is more likely than not. Statistically it is more likely that sooner or later one of the countries in NATO or that might join NATO could turn from a democracy to a dictatorship. Yet, there is no way of suspending or removing a country from NATO who no longer complies with the fundamental values that are set forth in the Washington Treaty.

Should NATO have available a mechanism to suspend a member which no longer adheres to the fundamental principles of the Washington Treaty—democracy, individual liberty, and the rule of law—to get around this problem of blocking a consensus in a very specific way, as Senator Sessions has pointed out?

Mr. GROSSMAN. Senator, let me try to answer that question a couple of ways. First, to where Senator Sessions started, of course the consensus principle at NATO has applied since 1949 and I would argue has been quite successful. Yes, there are times when one country or another country may object to a certain NATO policy. Since these are all democracies and have to get together, we

think it is a useful thing for the consensus principle to exist. That matters whether you are Iceland or Luxembourg or the United States of America. That is a fundamental principle of the Alliance.

The reason I start there, Mr. Chairman, is that I think that is part of the answer to your question, which is that this consensus principle that we have is the biggest incentive to keep people on the right track.

Chairman LEVIN. That assumes they are all democracies. Now go to my assumption. One becomes a dictatorship and vetoes what everyone else in NATO sees as essential for NATO self-defense.

Mr. GROSSMAN. I think that what we would have to do is make sure through the Membership Action Plan (MAP) process that we are trying to get people in what we are sure are going to stay democracies. I do not mean to avoid your question here.

Chairman LEVIN. You are doing it. Not successfully, but you are avoiding it.

Mr. GROSSMAN. I deal with this at the front end, which is to make sure that people have met a certain standard before they get in. To kick people out, it seems to me, would lower our standards rather than raise them. The consensus principle is what keeps it all together.

Chairman LEVIN. Senator Warner.

Senator WARNER. Thank you.

Secretary Feith, in response to Senator Levin's question about your successful meetings in Russia a few days ago, you replied that the current thinking with regard to this type of agreement between Russia and the United States would be in the nature of an executive agreement, or something less than a treaty?

Mr. FEITH. What we have said to the Russians is that we are interested in reaching agreement on a number of issues. It could be one agreement, it could be multiple agreements, and depending on what the agreements are and what their subject matter is, they would be suited for different forms. We are perfectly happy to enter into a treaty with them if we can come up with an agreement that warrants treaty status.

Senator WARNER. There is no effort to reach some type of understanding that would circumvent the advise and consent role of the Senate with regard to that type of agreement?

Mr. FEITH. No, there is not, and there is actually a recognition of the value of having Congress, the Senate in particular, involved with us as we go forward on this.

Senator WARNER. That answers my question.

Chairman LEVIN. Would you yield just for 10 seconds on that subject?

Senator WARNER. Yes.

Chairman LEVIN. If you do not enter into a treaty, it is not legally binding on any other than the current administration. I think you should be aware of that—not just the wisdom of involving the Senate in that we ultimately have the power of the purse and can technically override whatever you do, it is the fact that it does not bind this country beyond the current administration if you do it by executive order.

I thank you for yielding.

Mr. FEITH. Mr. Chairman, I was referring to a particular kind of international agreement that is often referred to as an executive-legislative agreement, where both houses of Congress have a vote on it.

Senator WARNER. It seems to this Senator—and I have followed the relationships between the United States and the Soviet Union now for over 30 years—that we are enjoying under President Putin a positive trend. There are certainly many things which any one of us could pick out as entirely unsatisfactory, but overall there is a positive trend. If we were to go into a situation where, for example, the Baltic nations were recommended for membership, would that not affect our relationship with Russia, for example their participation in the Balkans and their participation in the Afghan situation?

In other words, in a broad front now they are working with our President on the war on terrorism and to me that is an imperative of the highest order as compared to expansion of NATO. Maybe I am looking at it selfishly, but I think our country is beginning to look inward with homeland defense and the extraordinary attack that we suffered on the 11th and how best to deter and, if necessary, defend against another attack.

To the extent Russia helps, we are protecting the homeland of the United States of America to some degree. Of course, we are relying on a wide range of allies to help us. Nevertheless, they have stepped forward as a partner.

If we were to proceed on an issue like the Baltics, which has been a difficult question all along, it seems to me it could be disruptive. Do you have some views on that?

Mr. FEITH. Senator, it is a serious concern that you raise. We have, though, in recent months had some experience that I think allows us to evaluate the danger that you are flagging. The discussion about NATO expansion and the possibility that it may include the Baltic states has been very lively and very prominent now for months. Over these same months while this discussion was going on, we have been working with the Russians on creating this new framework for relations between the United States and Russia.

What is remarkable is in the course of these very intense discussions that we have had in the foreign ministry channel, the defense ministry channel, and of course the summit meetings between our Presidents, what is clear is, although the Russians understand, recognize, pay close attention to this debate, and understand the possibility of NATO's expansion, their reaction has not been to say that this will destroy our relationship. On the contrary, they are eager to get closer to NATO.

I think that we have things to learn from the way the dialogue has developed about the Russian recognition over the time that we have been working with them that NATO is not a threat to them. I think that we can proceed with these decisions about how we want the Alliance to grow without really worrying that it is going to set back a relationship that we consider enormously important and are intent on improving, which is our relationship with Russia.

Senator WARNER. This is one Senator who will be watching that issue, because I am gravely concerned about our homeland defense and the need for a wide range of assistance from many nations, in-

cluding Russia, as we hopefully deter and then defend against terrorism.

General Ralston, I think you quite properly brought up the mission that we are flying around the clock in the north and the south of Iraq. I think it would be important in this hearing if you give us an update on the threat that Iraq poses, and the need for the continuance of those operations, presumably, in your professional judgment. Also, how do we reconcile the fact that our men and women are flying those missions together with Great Britain, and taking a risk of life, with what is my understanding that at the same time we are openly trading with Iraq to meet our demands here at home for petroleum. We are importing now over 50 percent, and Iraq is a growing figure in that 50 percent.

General RALSTON. Senator Warner, let me state from the European military perspective. We have this ongoing operation that we are flying in conjunction with the U.K. and Turkey. These are the three countries that are involved. We have been enforcing the no-fly zone north of the 36th parallel. Everything in Operation Southern Watch and the rest of Iraq, General Franks in Central Command is responsible for.

It is a significant effort that we undertake. Last year we flew over 6,000 sorties enforcing the no-fly zone in the north. As I said before, there are numerous times when our aviators are fired upon. We respond whenever we can to take out any threats in order to ensure their safety.

Whether or not the benefit that comes out of enforcing that no-fly zone offsets the risk and expense that goes into it, I am not in a position to judge. That is properly a call for the policymakers in Washington. We do our very best to carry out the mission that we have been given. We have been doing that for 11 years now, and it is a significant effort.

Senator WARNER. General Ralston, lastly, as we approach this new round of consideration of new members, we took in three new members last time—Hungary, the Czech Republic, and Poland. What were the criteria that we laid down for their admission, and what did they have to do to fulfill that criteria in a period of time? Where are they today in meeting that criteria, and will they have met it by the fall when we are looking at a new round of membership?

General RALSTON. There were numerous criteria that were outlined, Senator Warner, and let me try to list some of those. One is to reform and restructure their military, and let me give an example. Only a nation can decide what level of expenditure they are going to commit to their defense. Let me talk about Poland for a moment. In the case of Poland, that is approximately 2 percent of their GDP. Those of us in uniform, once a country decides what level of resources they are going to provide, we give the best advice we can on getting the proper balance between the size of the military, the training of that military, and the equipment that the military has.

In the case of Poland, Poland had something like 400,000 troops in uniform. There is no way that Poland can adequately train and equip a force of that size. So our advice was, in order to get that

into balance, you need to draw down the size of your force, but make it better trained and better equipped.

I was in Poland a year ago. They had drawn down to 207,000 troops. I was there a month ago and they are now at 165,000 troops, en route to 150, which is their goal. They have been coming down each year, approaching that goal that was outlined.

With regard to the interoperability of their equipment, it is no secret that the new members had Soviet era equipment. You do not replace that overnight. They are trying to get the proper balance in the size and put the expenditure now into western systems, if you will, that will be more interoperable with NATO. We are not there yet with any one of the three countries, but I do not believe there was any expectation that we would be there by 2002. This was at least a decade-long project and in my judgment will probably take longer than that.

Senator WARNER. My time is up. You failed to answer about the present threat of Iraq today to our security and indeed to the security of the region. Can you give us a capsule estimate of that threat?

General RALSTON. I think that the concern that I have—and let me speak personally here. The issue with regard to the threat from Iraq is not so much one of whether they were tied to 11 September and what happened here. You have to look at their capability in terms of weapons of mass destruction, the ability to deliver weapons of mass destruction, and what is their intent to do that.

My own judgment is that they have a capability. I am less certain as to what their intent is. That is where I think the policy-makers need to focus in that regard.

Senator WARNER. Mr. Chairman, I ask unanimous consent that a letter asking for this hearing be placed into the record.

Chairman LEVIN. The letter will be placed in the record at the appropriate place.

[The information referred to follows:]

January 3, 2002

Honorable Carl Levin
Chairman
Committee on Armed Services
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman: *Carl*

As you know, in November of this year, NATO Heads of State will meet in Prague to make final decisions related to the future expansion of the NATO Alliance. Assuming invitations are issued at that Summit meeting for additional nations to join the Alliance, as was the case at the Madrid Summit in July 1997, the Senate will be called upon to exercise its advice and consent responsibilities regarding the proposed expansion, as we did in 1998.

Given the serious implications for the U.S. military of any future NATO expansion, I believe that the Senate Armed Services Committee should make this issue a top priority in the coming year and become involved in this process now, not after a treaty on expansion has been submitted to the Senate. I recommend that we have our respective staff jointly consult with the Executive Branch on the procedures by which the United States will decide which, if any, nations it will support for NATO membership. I further recommend that the Committee hold hearings early in the year on the military implications of NATO expansion, to include an assessment of the progress made in integrating the Czech Republic, Hungary and Poland into NATO.

As you may know, on December 19, I placed a hold on H.R. 3167, a bill which endorses the further enlargement of NATO. Enclosed is a copy of my floor speech which explains the reasons why I took this action. My main concern was that an issue this important deserves a serious and thorough debate before the Senate acts, not consideration -- by unanimous consent, without debate -- in the waning hours of the Congress. Hearings by the Armed Services Committee would be a valuable contribution to this important debate.

With kind regards, I am

Sincerely,

John
John Warner
Ranking Member

Enclosure

S13680

CONGRESSIONAL RECORD—SENATE

December 19, 2001

amount that the rates can be raised for terrorist insurance risk purposes and that part of the premium that would go to the terrorist risk would be set aside in the insurance company for accounting purposes from the rest of the premium so that we would know how much would be there, and if there were no terrorist loss, that could continue to be set aside for a catastrophe, which would include the terrorist loss. And—this is the part I am not sure those sponsors of the bill understand—even though I want to limit the rate increase, because I, indeed, think the rates are being raised using the September 11 horrible tragedy as an excuse to jack up the rates, nevertheless we have a responsibility to act, and we could limit those rate increases and, in the case that another terrorist event occurs and the loss were to occur, there is a portion of my bill on page 2 that would then have a surcharge on the policyholders up to the amount of the loss. That surcharge would be approved by the insurance departments of the 50 States.

In other words, since we would segregate the premium as allocated to the terrorist risk, and that limitation of the rates would be a 3-percent increase only, but if there were a terrorist event that exceeded an industry-wide—we are talking about \$8 billion of premium—then the surcharge would kick in. That is the part that I do not think those sponsors understand. They know I am a former insurance commissioner and I am quite concerned about rates being jacked through the roof and the consumer taking it on the chin, and that is why I wanted to come to the Chamber to speak. That is why I am so appreciative that the Senator from Connecticut is here.

I just got off the phone with the general counsel of State Farm, someone whose advice I valued over the 6 years I was insurance commissioner prior to coming to the Senate. I will be talking to several other CEOs and general counsel. This is, in part, what we have been talking about all along, and it is not something that insurance companies should think is an anathema to their position.

What is an anathema to their position is for them to gouge the public, the consumers, because it sets a limitation on the rates, but it is a fair way of approaching it. Clearly, at the end of the day, it is a way of protecting the businesses of America, the homeowners of America, and the automobile owners of America who, if we do nothing, are facing the prospect that insurance companies have withdrawn their coverage for a terrorist attack.

I thank the President for the opportunity to speak on this very important subject that is so important particularly at the eleventh hour of this session of Congress.

Thank you, Mr. President.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

NATO EXPANSION

Mr. WARNER. Mr. President, the Senators were advised by the Foreign Relations Committee through a hotline of the desire of the Senate to act on H.R. 3197. I have objected, and will continue to object, to the Senate considering this bill. It is a very significant bill, and I felt obligated to come to the Chamber and state to the Senate exactly why I object at this time in the few hours remaining in this session—I say a few hours, tonight and tomorrow—to proceeding to consider such an important document as this.

The document is an affirmation of a policy statement by President George W. Bush who said as follows on June 15, 2001, in a speech in Warsaw, Poland:

All of Europe's new democracies from the Baltic to the Black Sea and all that lie between should have the same chance for security and freedom and the same chance to join the institutions of Europe as Europe's old democracies have. I believe in NATO membership for all of Europe's democracies that seek it and are ready to share the responsibility that NATO brings.

Basically, I share the President's view on that, but this particular document goes on and cites the following. It says:

Declarations of Policy by the Congress of the United States.

1. Reaffirms its previous expressions of support for continued enlargement of NATO Alliance contained in the NATO Participation Act of 1994, the NATO Enlargement Facilitation Act of 1996, and the European Security Act of 1998.

2. Supports the commitment to further enlargement of the NATO Alliance expressed by the Alliance in its Madrid Declaration of 1997 and its Washington Summit Communiqué of 1999.

3.—

And this perhaps is the more significant declaration of policy.

The Congress endorses the vision of further enlargement of the NATO Alliance articulated by President George W. Bush on June 15—

That was the statement I just read—

and by former President William J. Clinton on October 23, 1996, and urges our NATO allies to work with the United States to realize its vision of the Prague Summit of 2002.

My views are as follows. I think NATO—and I think every Member of this body shares this with me—has done a magnificent job for over a half century. It is perhaps the strongest and most effective alliance and accord in terms of security that this Nation has ever entered into.

Last year we had a very significant debate, and that is my basic problem; there is no urgency for this. This Chamber should resonate again with a strong debate on future membership in our NATO.

We had several days of debate last year. I put forward an amendment limiting the number of nations.

My concern is there are nine nations referred to in this particular document, all seeking NATO membership. That would be 9 plus 19, which would come to 28. The debate was in 1998. That is a very significant increase.

This document does not proclaim each is going to be admitted, but it gives a strong inference and overtone that could come to pass. As a matter of fact, it is authorization to the effect that certain sums of money—and I support each and every one of these authorizations for funds going to the nations to enable them to continue their efforts to increase their military, to strengthen that military, to enable that military to become an important part of the overall military collection of the NATO countries.

Before we speak to all nine indirectly and subscribe in whole to the President's policy, this body has a responsibility to examine each nation, to have a formalization from the administration and others as to which of those nations should be considered for inclusion in NATO, presumably in 2002. I see no urgency that we should proceed on a UG without any Members except myself so far rising to address this.

I respect the chairman of the Foreign Relations Committee. He was in the Chamber, which prompted me to speak, hoping I could engage him.

The distinguished ranking member has communicated his desire to have this passed. I respect both of those fine Senators, but I think this deserves very careful consideration. We had hearings in the Foreign Relations Committee in 1998 regarding those members that desired to join. We had hearings in the Armed Services Committee, on which I am privileged to serve. I certainly encourage my chairman, Senator LEVIN, to have hearings on any thought with regard to increasing the size of NATO and specifically looking at those nations and providing our determination, as the committee, to the Senate as to the contribution they wish to make and the verification of the capabilities to make that contribution, both militarily and politically.

By the way, these authorizations are contained in the foreign operations bill such that they can go forward. It will not impede the distribution of these funds.

From time to time, Members put holds on matters. I take that obligation very seriously and come to state with some precision exactly why I take that step and will continue to do so for the balance of this session of the Congress, namely that it deserves the full attention of the Senate, preceded by a debate in the chamber with consideration by the two committees that have specific oversight of these matters.

ORDER OF PROCEDURE

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. REED. Mr. President, Senator Dodd and Senator MCCONNELL are in the Chamber. I ask unanimous consent to speak for 3 minutes and at the conclusion of my remarks the majority leader be recognized for a statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

Chairman LEVIN. Also a statement of Senator McCain on the future of NATO will be placed at the appropriate place in the record as well.

[The prepared statement of Senator McCain follows:]

PREPARED STATEMENT BY SENATOR JOHN MCCAIN

Mr. Chairman, I appreciate this opportunity to explore the administration's agenda to transform and enlarge NATO at the Prague summit this November. Other than the defeat of global terrorism—an endeavor in which our NATO allies play a key role—few issues are more important to the international order we wish to build

in this new era than enlarging our community of values and giving it the means to defeat the new threats of terrorism and unconventional weapons.

I have communicated with the President on this issue and am very encouraged by his strong support for a new and far-reaching Atlantic agenda. I fully endorse the President's vision of an Alliance that stretches from the Baltics to the Black Sea, created by a robust round of enlargement driven not by "how little we can get away with, but how much we can do to advance the cause of freedom," as he said in Warsaw last June. I share the administration's determination that even as we work to enlarge the Alliance, we share a mandate with NATO's existing members to ensure that they are capable of meeting the new threats, and that our Alliance is structured to respond to them.

That said, I believe the hand-wringing in Washington academic circles and the corridors of Brussels about the Alliance's existential crisis is misplaced. Rather than engaging in a stifling, bureaucratic debate about NATO's core purpose, we should devote our attention to sustaining the success our Alliance has enjoyed in deterring Soviet aggression, bringing a stable peace to the Balkans, and uniting our community of values. Our task is to invigorate the Alliance with this premise: that the Atlantic community is not a group of Cold War-era military allies looking for new missions to stay relevant, but a political community of like-minded nations that is dedicated to the principles of democracy, and to fostering a continent where war is unimaginable, security is guaranteed, and prosperity unbounded. This pledge reflects our common values, which are universal, and whose potency is multiplied, not diluted, as more and more people share in them.

As we share those values, so we must urgently work together to put in place the means to defend them. We live in a new era, and the Alliance has no choice but to adapt to the new threats. Lest we forget, NATO has successfully taken on new challenges before—in the 1950s, when it integrated West Germany; in the 1960s and 1970s, in responding to the Soviet missile buildup; in the 1980s, in working through the INF debate; and in the 1990s, when it brought peace to Bosnia, integrated former members of the Warsaw Pact, and defeated Slobodan Milosevic's tyranny. We are a strong Alliance, and debate within our circles about capabilities, roles, and missions can be healthy.

Our fundamental goal at Prague must be to transform what has become a somewhat divisive trans-Atlantic debate about the role and relevance of our NATO partners in the war on terrorism into a concrete plan of action to align the Alliance's purpose of collective defense with the threats of terrorism and weapons of mass destruction—dangers that threaten the people of Europe no less than the American people, as demonstrated by the number of terrorist plots that have been foiled on European soil in the last year alone. In the face of this threat, I agree completely with Under Secretary Grossman's statement that NATO is not less important after September 11, it is more important. Because it is more important—as demonstrated by the Alliance's invocation of Article V for the first time in its history—we and our allies must devote ourselves to building the capabilities to defeat the threat that has required us to come together in our common defense.

Like other members of the committee, I am eager to learn more about the proposed operating guidelines of the new NATO/Russia Council. I appreciate the witnesses' assurances that the North Atlantic Council will maintain deliberations separate from the NATO/Russia Council, and that the NAC itself will determine which issues and decisions to bring to the NATO/Russia Council for consideration. I look forward to better understanding how these principles will operate in practice, in order to ensure that NATO's institutional integrity is not compromised by a well-meaning effort to give our friends in Moscow a meaningful role in our councils. I and other members of this committee will need assurances that this new NATO/Russia body will, as Under Secretary Grossman states, offer Russia the opportunity to participate in shaping mechanisms for cooperation in areas that we choose, leaving the North Atlantic Council free to determine when and to what extent Russia will participate in NATO-related actions.

I am also interested in the witnesses' views on how NATO enlargement will affect the interests of our Turkish allies. Turkey is a front-line state in the war on terrorism, as was Germany a front-line state during the Cold War. Turkey has made important contributions to securing the peace in Afghanistan and will be integral to any campaign against Iraq. It is also central to our objectives of ending terrorism and promoting democratic stability in Central Asia. A tolerant Muslim nation with a secular government, Turkey's strong support and active cooperation demonstrate the fallacy our enemies would have the world believe: that our campaign against terrorism is a war against Islam. The support of Turkey, a loyal friend and ally, lays this myth to rest and stands in stark contrast to the disappointing cooperation

we have received in this campaign from another erstwhile Muslim “ally,” Saudi Arabia.

For too long, Europe has held Turkey at arm’s length. NATO’s southeastern expansion would secure Europe’s southern flank, enhance stability in the Western Balkans, and end Turkey’s strategic isolation from the Alliance. It would help diminish continuing frictions in Turkey’s relationship with the EU, minimizing Turkish grievances over ESDP and opening the door to the development of effective coordination between the EU and NATO. A visionary enlargement of the NATO Alliance to the south combined with the EU’s historic expansion to the east would bring about a new and welcome cohesion of Turkey to Europe. The recent joint statement by Greece and Turkey in favor of NATO membership for Bulgaria and Romania is a promising demonstration of how enlargement can positively influence regional dynamics.

The Prague summit’s task will be to institutionalize these changes—new capabilities to defeat the new threats, new members who are ready and willing to join in the defense of our common values, and perhaps a new relationship with Russia—laying the foundation for an invigorated Euro-Atlantic alliance. If Prague is to provide a foundation for a stronger and more coherent Alliance, the summit cannot be ambiguous about its purpose or temporize about the size and membership of the community it commits to defend.

That said, our Alliance is strong: we defeated Slobodan Milosevic’s rogue regime, and we stand shoulder-to-shoulder as peacekeepers in the Balkans—where American troops should remain for as long as they are needed. Our continuing operations to consolidate Balkan peace reflect both America’s commitment to our European partners and our joint responsibility to uphold a boots-on-the-ground leadership role in Europe.

The events of September 11 have already served to clarify NATO’s role and mission. American leadership within NATO has been enhanced by our leading role in the ongoing war. The terrorist assaults have bound the Alliance more closely together in a tangible way, with NATO assets helping to defend the American homeland and forces of member and aspirant nations working together in Central Asia. I hope it has helped us put aside our previous differences over an emerging, if unrealized, European security identity in favor of NATO’s existing security architecture. It has laid a strong foundation for NATO’s future relations with Russia.

I look forward to working with the administration and members of this committee to transform and enlarge our Alliance to meet the threats of this age and secure the freedom of our people, as NATO has successfully done for the past half century.

Chairman LEVIN. Senator Reed.

Senator REED. Thank you very much, Mr. Chairman.

Not only is NATO expanding outward, but also within Europe there is a conscious attempt to develop a European identity for their defense forces, the European security and defense policy. In addition to that, you have already mentioned the NATO “At 20,” where Russia is being approached to have some type of counselor role, if not an active role.

Could you comment on these developments, particularly the independent initiatives for European security forces, Secretary Grossman, Secretary Feith, and then General Ralston?

Mr. GROSSMAN. Sure, I would be glad to, Senator. First of all, let me say that we support Europe’s efforts to get stronger, and we support Europe’s efforts to have a European security and defense identity and a European security and defense policy. What we did in 1999 and have since is to make sure that European security and defense identity and policy is built up in support of the NATO Alliance. We have always felt that the actions or the possible actions of that European security and defense identity and policy should come only if the NATO Alliance is not engaged as a whole, is not engaged militarily. That is a diplomatic way of saying that we want to make sure that NATO has a right of first refusal.

In terms of Europe building up its capabilities, and meeting the headline goal that they set for themselves for 2003—to have 60,000

forces deployable in 60 days, sustainable for a year—we think that would be an outstanding thing and something that would really help in terms of Euro-Atlantic security.

Senator REED. Secretary Feith?

Mr. FEITH. I agree with what Secretary Grossman said. If the European security and defense concept is the spur necessary, if it is the vehicle that will succeed in increasing European capabilities that will be available to NATO, then it will have proven to be a good thing. I would like to say it is extremely useful that this committee does stress this point, and we are pleased to make reference to the interest that this committee takes in NATO capabilities when we are talking with our allies.

But, as has been stressed, there has been overpromising and underdelivery on the whole issue of capabilities, whether it is specifically regarding NATO or the ESDP.

Senator REED. General Ralston?

General RALSTON. Senator Reed, first of all, I agree with the two previous statements there. In particular, if the European Union is going to increase their military capabilities for their own reasons or whatever, then that is a capability that also is available to NATO. I support that, with one proviso. I have said we need to do that in a way that does not detract from the NATO Alliance. In particular, if the European Union builds a duplicative planning mechanism to that of NATO, then I think that would be very destructive.

I will give you three quick reasons why that is bad. If you tried to duplicate, for example, the planning headquarters that we have at Supreme Headquarters Allied Powers Europe (SHAPE), you are talking about thousands of military officers and the physical plant by which to house them. Where are those resources going to come from? There is only one place. They would come from the battalions and the squadrons and ships that we need to do the fighting.

The second reason: What do military planners do in times of crisis? We make options for our political masters. We come up with options A, B, and C. Option A has a certain set of forces and a certain risk factor and a certain chance of success, and option B a different set of forces, different risk, different chance of success. If the European Union does this independently, they will not come up with options A, B, and C; they will come up with options 1, 2, and 3, and then the two political bodies, the European Union and NATO, are going to have great confusion as they try to talk through this issue together because one of them is using option 2 and the other one is talking about option B.

The third reason: If the European Union goes off and plans this on their own and they want battalion X for their operation, someone has to ensure battalion X is not committed to a NATO plan and a NATO operation.

Now, these are solvable problems and I would offer at least for consideration that this is not hard to solve. You can take the four nations that are not in NATO that are in the European Union, they are all good nations—Sweden, Finland, Austria, and Ireland—and bring their planners to SHAPE headquarters and we will together plan options A, B, and C. You have not wasted resources by having extra planners and extra headquarters. You have not intro-

duced confusion into the system because both political bodies will have the same set of options. You have not double-tasked units to do that.

By the way, I have officers from all four of those nations at my headquarters today. So I think, with the proviso that you do not duplicate the planning mechanism, this can be a positive thing.

Senator REED. Let me raise another issue that has been addressed by practically all of my colleagues. That is the gap between our capabilities and the capabilities of all of our allies, those that are in NATO and those that aspire to become part of NATO. It seems to me that they have a very daunting task because the gap keeps dramatically widening.

I am wondering—and maybe this is all just back of the envelope analysis—in your view, General, and perhaps the Secretaries, is that gap so wide now that it could never be effectively breached unless there is an inordinate amount of spending? As you indicated in the case of Poland, they have basically decided they are going to spend 2 percent and that is it, and then they structure their forces around that.

Are we in a perennial sort of mismatch, even if there is a bit of accelerated spending in Europe, in terms of our capabilities and their capabilities?

General RALSTON. First of all, there is a gap today, there is no question about that. It is not across every nation, because there are certain nations in the Alliance that can perform and do perform every day very well with their United States counterparts. But as a general rule, as you look at the defense spending of each of the European nations and as that continues to go down, here is the problem you get into. If defense budgets go up slightly, procurement goes up a lot. Conversely, if defense budgets go down even slightly, procurement goes down dramatically, because such a high percentage of the budget is taken up by the personnel costs and the base infrastructure costs.

If you have a country that has a 10 percent decrease in their budget 3 years in a row, their procurement is going to go absolutely to zero. That is the problem we have. That is why I think Lord Robertson has been so aggressive in trying to get the European nations to increase their defense budgets. Even a slight increase helps you on the procurement side, because again that is something that can go into the research, the development, and the procurement of systems.

Senator REED. Now, just a follow-on question, General Ralston and Secretary Grossman. In your prospective planning, particularly looking at the countries who are aspiring to enter, have you suggested a budget pathway for them in terms of getting up to a level where they can operate with us, and then to an ultimate level where they are fully interoperable with the kind of expertise and technical skill that we have? Do you have anything like that in your plans?

General RALSTON. Let me try that and then also have Secretary Grossman and Secretary Feith address that. Once again, as I look at it, once a nation decides how much they are going to spend—and let us talk about the Baltics here for a moment. Let me talk about Lithuania, Latvia, and Estonia. I was very impressed by the

job that has been done there in terms of trying to get their people programs right. They said, the first thing you have to do is work with your people. I think they are right about that: Educate the people, give them a decent place to work as you start through it.

They have collectively gotten together and said: Let us put together an air defense network that would be useful to NATO if we become NATO members. I have visited their air defense centers there and, quite frankly, I was in one in Estonia that I would have been proud to have had when I was commander of the Alaska NORAD region. It was absolutely up to date and modernized. Nokia had done, from Finland, a lot of work in terms of wiring their things together. There was a young lieutenant on this radar scope who was a graduate from West Point. There was a young lieutenant on this radar scope who was a graduate of the United States Air Force Academy at Colorado Springs. They were working very hard on training their people from the bottom up, and I think they made a remarkably good start on working that.

So what do we do? We encourage them to keep doing that and to keep working in that direction.

Senator REED. Thank you.

My time has expired, but if Secretary Grossman would respond.

Mr. GROSSMAN. I just wanted to say, Senator Reed, that I support a point that General Ralston made in his opening comments. If you look at the number of defense capabilities in the defense capabilities initiative, 58, we have now concluded not only did we not get what we needed from that, but it was too many. So the points that Secretary Feith made about focusing in on getting people to the fight, sustaining them there, focusing on weapons of mass destruction, that is how we are going to be working toward the Prague summit. There are too many now; we want to get that number down so that we can actually produce some results.

Senator REED. Thank you very much.

Thank you.

Chairman LEVIN. Thank you, Senator Reed.

Senator Roberts.

Senator ROBERTS. Thank you, Mr. Chairman.

I want to make a comment on the Levin doctrine, i.e., no treaty, no binding commitment from one administration to another, the strategic concept that was adopted 2 years ago. As a matter of fact, I wrote a rather detailed letter to the Clinton administration asking if in fact those commitments as outlined in the strategic concept represented a treaty. It took a while to get that back. They indicated no, it was not. I think that is subject to change. Not that we want to change it. I am not trying to either say I am for it or to perjure it. I just think it is an important point that the chairman made.

I have several observations. I am going to read again what Senator Lugar said: "If we fail to defend our societies from a major terrorist attack involving weapons of mass destruction, we and the Alliance will have failed in the most fundamental sense of defending our nations and our way of life, and no one will care what NATO did or did not accomplish on enlargement at the Prague summit. That is why the Alliance must fundamentally rethink its role in the world in the wake of September 11." I agree with this statement.

I am on the Intelligence Committee. It is my opinion that the sober reality is that the danger of Americans and Europeans being killed today at work or home is perhaps greater than at any time in recent history. I believe that and so I think from the threat standpoint we should consider that, which underscores the value of intelligence and the analytical ability of our intelligence.

The other observation I would make is that this threat is global. We have to have allies, and we have to have alliances. NATO has to play a part. They cannot be circumscribed by any artificial boundaries. All of our alliances are going to be reviewed and recast in the light of this new challenge.

Let me say also that, rightly or wrongly, the legacy of Kosovo has reinforced the concern that NATO is not up to the job of fighting a modern war. Again, I do not mean to perjure NATO, but we did not do that in Afghanistan, obviously, or wherever else that we will conduct our military missions.

Now, having said that, in the Emerging Threats and Capabilities Subcommittee on the Armed Services Committee, chaired by Senator Landrieu, I am the ranking member. I always ask people, what keeps you up at night in regards to any emerging threat or real threat? I would like to ask each of you what emerging threat to NATO keeps you up at night.

Mr. GROSSMAN. Weapons of mass destruction, Senator.

Mr. FEITH. Senator, I think it is clear that the danger of nuclear weapons or biological weapons in the hands of terrorists is about the most troubling prospect that we have from the point of view of I think the whole range of national security officials in our Government.

General RALSTON. I would only add to that. First of all, I agree with that. Second, the reason that I stay awake at night worrying about it is not that there are not other threats out there, but I know how to handle the other threats. I have capabilities to handle the other threats. We are not where we need to be in terms of handling that kind of a threat, and that is why we need to put effort into that.

Senator ROBERTS. If that is the case and if any justification for the expansion, continuation, and modernization of NATO has to be threat-based, then I think Senator Warner and Senator Lugar's advice is well-taken. But how do we do this?

NATO has always operated as a consensus organization. 16 was difficult. 19 has been challenging, and that is the nicest way I can put it, especially after Kosovo. 28? This is like trying to transport frogs in a wheel barrow, and I do not mean to make light of it. I would assume we are going to continue as a consensus organization. If the answer is yes, it seems to me we are going to have to have a coalition of the willing or maybe follow Senator Warner's suggestion. Although I am not sure I want to call it the Warner suggestion, but it seems we would have to have something like the U.N. and the Security Council or a coalition of the willing.

If the answer is no, how are we going to handle that problem from a simple military procedure standpoint?

Mr. GROSSMAN. Senator, if I could try to answer your question in three ways. First, in terms of weapons of mass destruction, you received essentially the same answer from all of us. Our objective,

it seems to me, in transforming NATO and in bringing new members into NATO is to make sure that they understand that this is the threat. Again, you talked a little bit in your opening statement about the strategic concept. If you go back to strategic concept before 1991, there is nothing in there about weapons of mass destruction. The 1991 strategic concept starts to talk about it. The 1999 strategic concept holds it out as a real threat to the Alliance.

We said in 1999 that NATO had to do more in the area of weapons of mass destruction (WMD). We now have a WMD Center, but much more needs to be done.

The second thing is, like General Ralston, I will give you an example of how new members actually are quite useful in changing people's perception of the threat. One of the ways to deal with weapons of mass destruction, of course, is missile defense. I think if you go around now and see who in the Alliance are among the most enthusiastic supporters of missile defense, you will find Poland, for example, which is a new member, recognizes a new threat and has a new policy. In a way, I think those things, the new members and the new threats, allow us to transform the Alliance.

A final point, and that is that I think none of us would want to say here that what our objective is is to make NATO into the OSCE or the U.N. Security Council or anything else. This is an alliance for collective defense, and it is my judgment that the way to keep it an alliance of collective defense is to keep it based on consent, to keep it based on standards, but to recognize that sometimes those threats change.

Senator ROBERTS. Would anybody else like to comment?

Mr. FEITH. I think Secretary Grossman did a pretty good job.

Mr. GROSSMAN. I would actually add one sentence if I could, Senator. That was about this question of coalitions. I may be getting out of my lane here because I do not work at the Defense Department, but I think Secretary Rumsfeld has this right where he says that one of the lessons of Operation Enduring Freedom is that you want the coalition to match the mission and not the other way around. I think that is a very important point and something that NATO can use to build on.

Senator ROBERTS. I yield back my time, Mr. Chairman. Thank you.

Chairman LEVIN. Thank you very much, Senator Roberts.

Senator Inhofe.

Senator INHOFE. Thank you, Mr. Chairman.

Building a little bit on what Senator Roberts asked on what keeps you up at night, can I assume—and I think, Secretary Grossman, you have already responded to this—that when you say weapons of mass destruction you are also concerned about the missile delivery of those weapons? Is that correct?

Mr. GROSSMAN. The whole package. The whole package, not only of delivery, but, as Under Secretary Feith said, the connection to terrorism.

Senator INHOFE. Yes, thank you.

Let us go back to something Senator Reed was talking about in terms of the capabilities gap. I think he was referring to how that would affect the new nations coming into the Alliance. Secretary Feith, I believe you said Bosnia and Kosovo exposed the capabili-

ties gap between the United States and its allies. Do you have any way of quantifying that? Have you thought about that? I am interested in two things: First is the lesson we learned in Bosnia and Kosovo on the capabilities gap; and then second, how that might apply to new partners coming into the Alliance.

Mr. FEITH. Senator, I think that General Ralston may be better able to talk about what kind of quantifiable measures we have for that.

General RALSTON. Let me talk in terms of capabilities. What we desperately need are abilities to get forces wherever they need to be around the globe. That is the strategic lift piece. There is a deficiency there, something we need to work on.

Let me talk air systems for a moment—precision attack. The United States has made great progress in terms of our ability to attack not only with laser-guided bombs. Many of the other allies have laser-guided bombs, but we have gone the next step, the Joint Direct Attack Munition (JDAM), so that it will work in all weather. That is something that needs to be worked upon.

There is a huge deficiency that needs to be worked upon in capabilities for electronic warfare in terms of jamming of enemy defenses. If we are going to go in an operation anywhere today, it is almost imperative that the United States of America provide the EA-6B jamming platforms wherever you are going to go, because nobody else does that. I can quantify it in terms of those kinds of capabilities that we need to carry out modern warfare. I cannot quantify it and put a number on it.

Senator INHOFE. If you later on can decide there is some way when we are talking about this gap that would help us in quantifying it, just for the record you might send anything in that you can.

[The information follows:]

One document that sought to quantify the capabilities gap between the U.S. and Europe is a recent RAND study on the Kosovo campaign. Operation Allied Force was almost entirely an air campaign. Therefore, capability differences were mainly shown in the areas of air forces and command and control.

The United States provides over 700 of the 1,055 aircraft deployed in the allied effort. The U.S. flew over 60 percent of the sorties during the campaign including 90 percent of the advanced intelligence and reconnaissance missions, over 90 percent of the electronic warfare missions, fired over 80 percent of the precision guided air weapons, and launched over 95 percent of the cruise missiles. About 35 percent of the roughly 23,000 bombs and missiles used during the campaign were precision guided. The U.S. flew virtually all the strikes in the early phases of Operation Allied Force because it was the only member with all-weather, precision-guided munitions. In addition, the U.S. deployed several intelligence, surveillance, and reconnaissance (ISR) and other high-tech platforms with capabilities that allies simply don't have. These included: 4 RC-135 Rivet Joint, 5 Predator and 7 Hunter UAV systems, 2 EP-3s, 4 EO-P3s, 5 U-2s, 7 Guardrail aircraft, 2 E-8 Joint Stars, and 4 EC-130 Compass Call.

U.S. and allied forces showed similar differences during Operation Deliberate Force in Bosnia. The U.S. flew 2,318 of 3,515 coalition (about 66 percent) combat sorties between 29 August and 21 September 1995.

Senator INHOFE. General Ralston, let me carry that a little bit further. Senator Sessions brought up the problem with strategic lift. I chaired the Readiness Subcommittee for 4 years, and that is one of the things I have really been concerned with. That is one of the great drains that Kosovo and Bosnia have made. Now we find out in our refueling capacity we have bladder problems in fuel cells in the KC-135 that are going to have to be addressed.

All these lift problems are very expensive problems. We know where we are with the C-141s now. They are going to go out. We are talking about, and I see growing support, for increasing our C-17 capabilities. Then, of course, the aging C-5.

What do you see out there as a solution to this problem? We have been talking about the lift capability and what is happening right now with the use of our C-17 fleet. It has been a great success. It has been wonderful. But we also know that it is wearing out.

General RALSTON. Let me try to address it two ways. I think there is a U.S. issue here. The United States of America needs to decide how you are going to keep a modernized strategic lift capability, not only air but at sea.

Senator INHOFE. We need to do that, but we are depending on you to help us do that.

General RALSTON. Yes, sir. What I have to state as a unified commander is I need the capability to get X amount of stuff to Y place in a certain time period. I am going to have to depend upon General Jumper, the United States Air Force, and Secretary Roche to decide what is the right acquisition strategy here, whether you upgrade C-5s or you buy more C-17s or some combination of both, or what you do about the tankers. Those are the types of things that I am not staffed for. I am trying to fight the war this afternoon, not 15 years downstream. We do have a mechanism in our military to do that.

Now let me take that to NATO. Here is where I think we really have to put as much pressure as we can on the other nations to come up with their strategic lift. I am not going to tell them what kind of airplane it needs to be, but it certainly has to be able to get from point X to point Y, carry the types of things you need to carry, and be responsive. Right now that capability does not exist.

Senator INHOFE. I appreciate it.

One of the things that I would like to ask you just for clarification: I am very proud that you are able to get this down, looking to the future in Bosnia for example, getting down to 10 percent of the force that we had in back when we were only supposed to be there for 12 months. I think we need also to talk about the fact that, while the lift capability drian may be 10 percent, the logistical support that comes out of what they used to call the 21st TACOM—I do not know what they call it any more—is probably going to be up around a quarter of it, as opposed to 10 percent of it.

So the total effort and expenditure and the use of our assets, even when the number of troops is down to 10 percent of what they were before, would actually be greater than 10 percent. Would you not agree with that? Are we using our logistics support down there that could be used somewhere else?

General RALSTON. I would have to do some thinking about that. The reason I might slightly quarrel with that characterization is because we do not provide logistics support for the other nations. We support only the United States. So if the U.S. forces are 10 percent of what they were, I do not know that it is exactly linear, but I think it is pretty close.

Senator INHOFE. Is it? I am glad to hear that if it is.

I just got back from, as I say, the former 21st TACOM and talked about what they are doing, what their drains are, and what their expectations are for other incursions.

General RALSTON. Yes, sir. I might say that they are very busy. They are doing an extraordinarily fine job. Some things they are doing are not normally appreciated. Rather than sending everything to Afghanistan by air, 21st TACOM worked out a capability to send it by train. So we sent a couple of practice trains to let us see if we could get through all of the diplomatic hurdles to get a train from Germany to Afghanistan, and they were successful in doing that. Now in something like 2 weeks we can get a huge train from Germany to Afghanistan, which reduces tremendously the capability to have to ship it by air.

Senator INHOFE. I saw that over there, and I am very grateful that they were able to accomplish that.

Secretary Feith, one of the things that people have talked about is perhaps waiting for this expansion until such time as they are more suited to be allies in terms of what their capabilities are and what their contributions could be. Is this something that is being discussed now?

Mr. FEITH. Senator, the issue of timing is being discussed. There is a recognition that it is important when we issue invitations that we have countries that are ready to enter the Alliance and have met the standards. So while we have not as an administration made a firm decision on the point, this issue of timing is very much at the fore of our minds. We have been discussing it, and we are undoubtedly going to be discussing it a great deal more as we head up toward the May meetings and then on to Prague.

Senator INHOFE. Secretary Grossman, I know you were quoting the first George Bush when you talked about the characterization of sitting quivering in your storm cellar. I am not one of those who is sitting quivering, but I am one of those who has not really decided yet on what we are going to do in terms of all the things that we have been discussing.

Senator Levin brought up the process of termination. You said, of course, you are on the front end of that. Secretary Feith, do you have any thoughts on that? Let us say somebody comes in, they are qualified, we rejoice and we embrace them, and then we find out that they are not making their contribution. What are your thoughts on a policy on that?

Mr. FEITH. It has been a subject, while it has been raised over the years, that has not been thought of as an imminent problem. Nobody has worked out an answer to it because, I guess, number one, it is not viewed as imminent; and number two, the working out of the answer may be more disruptive than constructive.

Senator INHOFE. That is fine. Thank you very much.

My time has expired, but I think, General Ralston, I may send some questions for the record on this issue of troop strength that we are dealing with in the Guard and Reserves, the 60,000 that we have over there right now, their OPTEMPO, and some of the problems in the critical MOSs. That is of great concern to me, and I know it is to you, too.

Thank you very much.

Chairman LEVIN. Thank you, Senator Inhofe.

Senator Sessions.

Senator SESSIONS. Thank you, Mr. Chairman.

Secretary Grossman, I appreciate your effective testimony, directness, and candor as we have discussed some difficult issues. You noted that Secretary Rumsfeld said the coalition needs to meet the mission. We were able to do that in Afghanistan. We were able to put together the kind of coalition we needed to do that.

Now, if this were a conflict in NATO would we under the NATO rules of unanimity not have that flexibility? As we expand NATO, does not that add to a limitation on our ability to put together a coalition that fits the mission?

Mr. GROSSMAN. Maybe General Ralston can help me if I get this wrong, but it seems to me that the unanimity principle in NATO is a decision that NATO will do the work, and then those people who want to go ahead and do the work sign up to do the work. So whether it is the Czech Republic coming with chemical weapons and biological weapons defenses, the United States with what we bring, or the British with what they bring, then essentially you have a coalition inside of NATO.

I do not mean to answer both questions at the same time, but NATO would have to decide as a group, yes, we are going to take on that mission, and then it would fall to General Ralston to carry out that mission with a group of countries that would be interested in doing so.

Senator SESSIONS. Let us follow that a little bit further. Let us say, as Senator Levin suggested, that there is a significant ethnic problem, not unlike the Balkans, and everybody is putting pressure for reform and trying to avoid war, as we did in Kosovo. Let us say as a result of these tensions one NATO member has a regime change, just like that.

Now we have a group that identifies with the people we are trying to correct, and they vote solidly against any action whatsoever. What do we do then?

Mr. GROSSMAN. Senator Sessions, first, I do not think we should have too rosy a view of what has happened in NATO on this issue since 1949. It has not been without its bumps and its lumps in the road. I do not want to name countries here, but countries have changed regime in NATO over time, and sometimes that has been a big challenge.

We believe that if countries are in NATO that they signed up to these values, that they will in the end do the right thing. As I say, that has been our practice, it has been our experience really for 50 years.

You and Senator Levin might be right, and we may all be here 5 or 6 years from now with a big problem on our hands. That is why we are so focused on getting the standards right in the membership action plan.

Senator SESSIONS. Secretary Feith suggested it could be disruptive, it surely would be somewhat contentious, to discuss this openly and directly. I am inclined to think that we should. There would be two ways that come to my mind. I would think one would be less than unanimity in a vote; or the other would be the ability to vote out a member who rejects the ideals and overall commitment

of the NATO group. What would be the possibility if those were discussed openly with our NATO members?

Mr. GROSSMAN. I do not mean to be flippant here, but if you look at the history of NATO and what the United States has tried to do in pushing new missions, new mandates, new things, I would not be surprised if there are some afternoons that there are a number of countries who would like to vote us out of the Alliance. I think we have to be careful of that.

Again, I tried to answer Senator Levin's question, although it was not to his satisfaction.

Senator SESSIONS. That would really break my heart.

[Laughter.]

Mr. GROSSMAN. Well, it would break mine.

Senator SESSIONS. There is something a lot deeper afoot if that occurred than just a dispute over—

Mr. GROSSMAN. Indeed. As I said, I did not answer the question very well for Senator Levin. I think that if the standard is set—

Senator SESSIONS. You answered it. As he said, it just was not real satisfactory, or we are not sure we agree with it.

Mr. GROSSMAN. Fair enough.

The standard has to be higher rather than lower, and I believe if there was a way out of the Alliance, standards would go down rather than would go up. That is my perspective.

Senator SESSIONS. What if a nation does not opt out of the war, sends a token force, but wants to micromanage the mission? We had this last time, General Ralston. What do we do then?

General RALSTON. I do not want to give a long answer here, but I take a little bit of issue with the characterization that we had it wrong last time. There are some things we could have done better. I take blame for this because I was here in Washington. For the first week of the war, we struggled. At the end of that first week, we drew up a piece of paper on a Saturday morning in the Pentagon, and I got it coordinated with my allied friends. It said: For 95 percent of the targets, we do not ever want to hear about them in nations' capitals; General Clark has the authority to do whatever he needs to do on those fielded forces.

There were some categories of targets that we said rightly need to go to nations' capitals. Let me give you an example: Should we or should we not attack a target in Montenegro? There was a valid political reason as to why you might want to keep Montenegro out of the war. We said: Before you attack anything in Montenegro, go back to the capitals and get a political consensus that that is the right thing to do. Even that had an escape clause that said if there is anything there that threatens an air crew or an airplane, then you are automatically cleared to take it out.

Once we put that piece of paper out, from my perspective things got much better. If I had to do it all over again, we should have put that piece of paper out before day 1, not after we were into the conflict.

Senator SESSIONS. If a nation asserts itself and does not agree with your directive about what the targets ought to be and says, we insist on being involved, you are not going to attack Belgrade, you are not going to knock out electric plants, you are not going

to knock out bridges—and that was discussed during this time—have we not hamstrung ourselves?

General RALSTON. Once again, I would take the construct that if we were looking solely at the tactical aspects of the Kosovo campaign, then I might have done it differently than what the Alliance did. But I do not think that is the significant point. The significant point is at the end of 78 days we had 19 nations that were even more strongly united, and I think that was by far the most important event for the successful outcome of that campaign.

Senator SESSIONS. I appreciate that, and I do not say that this was a failure or a disaster as a campaign. I just say that it evidences a potential for a greater problem in the future. Maybe we will have an even greater gulf between what we need to be doing to effectively complete a combat mission than we had in Kosovo. How can we get around that? Particularly, the “lowest common denominator” was the phrase that you heard used, and as we increase the number the lowest common denominator gets lower. It is more difficult to maintain unanimity.

General RALSTON. Yes, sir. Let me try one other thing. On the political side of the house that Secretary Grossman has talked about, we have a parallel on the military side of the house. We have a military committee where every one of the 19 nations has a military officer who represents their national military view. We get a mission from the political authorities. We then have a force generation exercise that we conduct in the military headquarters, and that is when we decide what capabilities we are going to pick from what nations.

We are not going to pick capabilities from a nation if that nation is not up to snuff or up to standard. So there are many operations that we do today where we do not have all 19 nations’ military forces involved. There may be 16 nations or 12 nations or 6 nations as we do that. You have a mechanism by which you can pick the capabilities that you need to carry out that mission.

Take Task Force Fox in the Former Yugoslav Republic of Macedonia right now. You only have a handful of nations that are involved in that. There may only be five or six nations doing that. Those people who do not have troops involved in that, my personal experience is we have not had a problem at all. They recognize they do not have troops at risk in that, and so they are not going to try to drive the operation, even though they may have views on it.

Senator SESSIONS. I just felt like it was honest to say that NATO met and directed the deployment of the United States Air Force in Kosovo, and that is a big deal. We are a great Nation, and I want us to work in partnership and harmony. But we have to be pretty clear that we are not unnecessarily tying the hands of our military that sometimes have to act decisively and quickly, without delay, and maybe 19, 22, 25, 27 votes may not be so readily available.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Sessions.

I do not think there is any doubt that the challenge or the complications of working in a coalition are greater than if you act unilaterally. I think that is clear. The advantages of working in a coalition, at least in the case of Kosovo or in Bosnia, clearly out-

weighed those constraints. Would you not agree with that, General?

General RALSTON. Yes, sir, I would agree with that.

Chairman LEVIN. You described the value that we ended up with, which is the strength, the cohesion, the message that is sent when you have 19 nations acting together for a common goal. If you can achieve that, even though along the way there are more complications in working out some things, that can far outweigh, and I think it did outweigh in Kosovo and in other places, those complications.

You are shaking your head, so I assume that you all would agree with that. Is that accurate?

Mr. FEITH. If I may, Mr. Chairman. You point out that it is not all black and white and that what you have is a real problem, and I think what Senator Sessions is calling attention to is a real problem. We should not leave the impression that we are denying the premise of his question, which is that the larger the group gets the more the danger of it being unwieldy. That is absolutely correct.

That does have to be balanced against the whole range of benefits of enlargement. It needs to be netted out. I think that the point that my colleagues have made is that, first of all, the problem in practice has not been as great as one might think theoretically. Second, the irreducible problem still has to be netted out against the other points.

There is one additional point that I think is important to highlight. What has happened in the war on terrorism is we have developed a new model, a very interesting model, where NATO as an institution has functioned as part of the war, and yet we have this concept of rolling coalitions that Secretary Rumsfeld has expounded and Secretary Grossman was referring to earlier. It is not the case that the United States cannot act in the world in its own defense under any circumstances without consensus at NATO, and I do not think we should leave anybody with that impression.

We have the ability to act, and even when we are acting, as we are in the war on terrorism, where it is not entirely a NATO war, NATO is not irrelevant and NATO has contributed valuably. This shows how valuable it is to be able to be flexible in your policymaking and for NATO to be flexible as an institution to deal with new circumstances.

Chairman LEVIN. I hope that the value of coalitions will be remembered when we talk about the war on terrorism. I think some of the rhetoric which has flowed from Washington has made it more difficult to put together essential coalitions, which will be so essential to carry out that war. I will leave it at that because that is not the subject of today's hearing, but it is an important subject. Since you raised the question of the war on terrorism and the value of having coalitions to fight that war, even though you want to reserve the right to act unilaterally, I would make that statement.

I want to go back to the enlargement issue. There have been some recent reports that NATO may decide to issue invitations to several nations in November, but to stagger their admission into NATO as they meet the criteria for membership. This would be a departure from the last enlargement round. It would seem awfully complicated to me and create lots of problems, including any prob-

lems relative to the procedures here to ratify or approve those admissions.

Can you tell us if there is any truth to the reports that there may be staggered enlargement and, if so, what the justification for that process might be? Secretary Grossman?

Mr. GROSSMAN. I would be glad to answer, Senator. There has been that conversation, mostly in Europe. People have talked about this as a way to deal with a number less than nine. I think it is fair to say that, although the President has not decided and I do not think our direct bosses have decided. At our level we are not attracted to this at all, for precisely the reasons that you say.

The additional reason I would put in is I would have a hard time understanding how you give somebody a partial Article V guarantee. So I think at our level when we talk about it this is not something we are very much interested in at all.

Chairman LEVIN. Now, on another matter: European members of NATO that have adopted the euro as their common currency have pledged not to run deficits higher than 3 percent of their gross domestic products. Germany, for instance, which has only been devoting about 1.5 percent of its GDP to defense, is already bumping up against its 3 percent of GDP ceiling, which is something they adopted when they adopted the euro. They are up against that ceiling, so, for instance, they were unable to recently give a guarantee to the partners that they would fund a full share of the development of a new Airbus military transport aircraft.

Secretary Grossman, is the 3 percent ceiling I referred to a problem for NATO members who have adopted the euro, but who seek to and should spend more to improve their defense capabilities?

Mr. GROSSMAN. Senator, I would say, of course, it is really for them to respond. From my perspective it is not the 3 percent limit that is the problem. It is the choices that they make in their own societies about what to spend their money on. We make choices all the time. You here make choices between social programs and defense and all the things that we do.

When you are dealing with European countries, they have made a series of choices over the years that have been different. Our message to them is that in the society that you have, if you are going to defend yourself, you have to spend more money on defense. If you have simultaneously as a European Union member pledged yourself to the 3 percent, then you need to change your priorities inside your society.

Chairman LEVIN. General Ralston, you have commented on the reduction of forces in Bosnia. When Senator Warner and I visited Bosnia during Thanksgiving, we talked to the Stabilization Force Commander, General Silvester, and Ambassador Bond about an exit strategy from Bosnia. They both emphasized, as you have emphasized, the need for addressing all of the elements of the rule of law in Bosnia, including prosecutorial, judiciary, and penal system reform.

I understand that the UN's task force, the International Police Task Force, mandate expires in December and that the European Union is going to provide a follow-on police mission that is not going to address fully the issues involved with the rule of law. You have also pointed out, I believe, that the international community's

approach in Kosovo does address those other elements of the rule of law.

Can you describe to us the approach that is being taken in Kosovo and Bosnia, tell us which approach is preferable, and what changes you believe would need to be made in Bosnia, if any, to provide that exit strategy?

General RALSTON. Mr. Chairman, as you have stated, the two situations are different. I think what everyone agrees upon is that we do need the rule of law, which is more than police. It includes all the things that you mentioned. I think everybody agrees with that.

Now, the question is how do you get there quickly? In the case of Bosnia, as you have pointed out, the United Nations has provided the International Police Task Force there for the last 6 years. They have today about 1,500 unarmed police officers that are in Bosnia. Their mandate does expire at the end of this year. The European Union has recently made the decision that they would take over that particular mission.

My understanding is, and these are approximate, that there are about 530-some officers, I think 460-some uniformed officers, another 60-some civilians, unarmed, that would go in to replace those 1,500.

The concern I have with that in my own personal view is you need to get the local people involved in their policing of their own functions and their rule of law. In Kosovo, for example, OSCE set up a police academy. It happens to be run by a retired American military officer. They have trained 4,300 local Kosovar citizens—Serb, Albanian, minority, female, male. We have those 4,300 on the streets and every 3 months we are putting out about another 300. The next class graduates in March. We will have about 6,000 by the end of this year.

The difference is it is the local people that are there on the street doing the police functions and ultimately the rule of law, whereas in Bosnia we do not do that. Again, these are decisions that the nations have to make.

If I could offer an idea, I think there is some merit to having the police academy and training local people as opposed to depending upon the United Nations or the European Union to do the policing.

Chairman LEVIN. Thank you.

Senator Warner.

Senator WARNER. Mr. Chairman, I think our witnesses today and the participation by our colleagues have made this a very important hearing. I commend each of you.

Secretary Grossman, I have to tell you in the business in which the Senator and I were engaged, when a Senator whispers in my ear that they would not want you as an opponent that measures up in our estimate.

Chairman LEVIN. It was not me, by the way.

Mr. GROSSMAN. I was going to say, I have not convinced the chairman of that.

Chairman LEVIN. But it very well could have been me.

Senator WARNER. You are a great tribute to the marvelous career force that our Nation has in the foreign service.

Mr. GROSSMAN. Thank you, sir.

Senator WARNER. Thank you. I can remember when you were Deputy Chief of Mission in Turkey and now you are third in rank. Well done.

Mr. GROSSMAN. Thank you, sir.

Senator WARNER. Therefore, I will give you this question.

[Laughter.]

Mr. GROSSMAN. I knew there was no free lunch.

Senator WARNER. On the subject of missile defense, we have watched our President, Secretary of State, and Secretary of Defense, in a very brilliant way, work through concerns of Russia. Those concerns were expressed somewhat perhaps—this is my judgment—in a less strong way than we anticipated at the time, and allied reaction was in some areas rather high for a period in the negative sense.

What is the status of the European allies now that we are working through? Secretary Feith, you will be given a chance to comment on this. Are there significant residual concerns about the proposed U.S. missile defense among our allies? Are they beginning to get, and I say this respectfully, a more realistic appreciation after September 11 of what can happen even by way of not state-sponsored attack, but terrorist attack and/or the accidental firing of a weapon, which is a threat in itself?

Mr. GROSSMAN. Yes, sir.

Senator WARNER. Why do you not take it just generally, so that I can get one or two other questions in, and then expand that for the record, because this response will be very carefully examined.

Mr. GROSSMAN. OK. First of all, I think there is an increasing recognition of the threat on the part of our allies because of September 11, as you say. Also because all of us in our own way have tried again and again to make them recognize that, if you look at the map and see the circles from places like Iraq and Iran and other countries that are developing weapons of mass destruction, those circles include lots of Europe. We think that we are making some progress there.

Second, I always believed that if we were going to be successful, and I think the President and Secretary Rumsfeld and Secretary Powell were very successful in, as you say, making the Russia issue come out right, that our allies would be much relieved, and I think they are. So we have an opening to do more.

Third, since we are talking about NATO, I am still convinced that NATO is going to be one of the ways into this issue of missile defense, what used to be known as theater missile defenses in NATO. Who is working on missile defenses today? NATO is. For some countries, theater missile defense is missile defense. So we can build on that.

Senator WARNER. Absolutely.

Secretary Feith, if you have anything to add, if you would put it in the record. General Ralston, likewise put it in the record.

[The information follows:]

Mr. GROSSMAN. In the wake of the September 11 attacks on the United States, our NATO allies are focusing greater attention on the threats to security posed by weapons of mass destruction (WMD) and ballistic missiles as a means of delivery. NATO as an organization is also very much engaged in assessing the WMD threat and trying to improve Alliance capabilities against it. In our consultations with our NATO allies, we continue to point out that without an ability to protect their terri-

tory and population centers, they will be increasingly vulnerable to coercion or blackmail as well as possible physical attack from rogue states with ballistic missiles armed with weapons of mass destruction. We believe we share with allies a strategic interest in examining defense options against the full spectrum of missile threats.

The NATO allies' views toward missile defense vary, but overall, there has been greater allied interest in missile defense cooperation and improving WMD response capabilities. Nevertheless, many allies continue to reserve their positions on specific aspects of missile defense cooperation until they can examine more detailed, concrete U.S. proposals in this area. We intend to continue to consult closely with allies as our missile defense research, development, test, and evaluation program advances, and offer specific opportunities for European participation.

Although some NATO allies have expressed concerns about the potential impact missile defense would have on broader U.S.-Russia and NATO-Russia relations, our consultations with Russia to create a new strategic relationship have done a great deal to assuage their concerns. We have kept allies informed on the status of U.S.-Russian discussions. Moreover, NATO is also engaged in discussions with Russia on how to broaden their political-military relationship and enhance cooperation in a number of areas, including missile defense.

Many allies would like to know more about the potential costs associated with their participation in the missile defense program. In our continuing consultations with our NATO allies, we will be addressing these issues as we determine what the missile defense architecture will look like.

General RALSTON. [For the administration] The defense departments of Germany and the Netherlands, and U.S. forces stationed in Europe are doing the majority of the work with missile defense systems today. Patriot Advanced Capability (PAC) II missiles are the only active missile defense system used by NATO forces. Germany, the Netherlands, and Greece as well as United States Army, Europe (USAREUR) forces stationed in Germany, employ them.

As the most active defense players, the U.S., Germany, and Netherlands force, participate in an annual exercise sponsored by the Royal Netherlands Air Force called "Joint Project Optic Windmill" (JPOW). This exercise provides participating NATO forces the opportunity to practice joint and combined theater missile defense (TMD) operations. Various European nations have participated as passive defense or counterforce operations players.

Future exercises, including JPOW VII, to be held in the Netherlands in late fiscal year 2002 and JPOW VIII, now being planned for fiscal year 2004 with Turkey as the exercise location, will continue to train our forces to respond to various theater missile threats.

Our forces in U.S. Army Europe are scheduled to upgrade one of two battalions from PAC-II to PAC-III in fiscal year 2008. The PAC-III missile is smaller than the current PAC-II missile and will increase the firepower from 4 to 16 missiles per launcher. PAC-III also provides for earlier detection and expanded engagement of theater ballistic missile targets. The Netherlands plans a similar upgrade, possibly as early as fiscal year 2005, and Germany is still considering the cost and scope of PAC-III upgrades.

NATO Shared Early Warning (SEW-N). NATO continues to progress with their SEW-N program and is following a three-phase program that involves the U.S. Joint Analysis Center (JAC) Molesworth and the NATO Ballistic Missile Command, Control, Communications, and Intelligence network. To support a 1994 U.S. Government directive to share regional ballistic missile early warning information with NATO and individual Alliance members, the U.S. proposed a three-phase program:

1. Phase I: Radiant Mercury (RM) installed as multi-level security (MLS) guard. RM strips various data from J-series messages so that data is releasable to various partner nations. This was completed in 1999.

2. Phase II: RM provides geographically filtered data to Linked Operations and Intelligence Centers Europe, and both the Global Command and Control system SEW server and the NATO Interim Combined Air Operations Center Capability SEW server at Supreme Headquarters Allied Powers Europe. Scheduled to be completed in late 2002.

3. Phase III: NATO extends data dissemination to its critical C2 nodes. Completion date is not yet determined.

Finally, USEUCOM is continuing to develop its relationship to NATO through various memoranda of agreement. Efforts to better define SEW-N information architecture, availability, maintenance support, and costs will enhance the overall effectiveness of the system. USEUCOM expects to complete these efforts by mid-year 2002.

Senator WARNER. Secretary Feith or Mr. Grossman, the United States is providing a substantial amount of dollar assistance to the aspirant nations looking to the fall meeting on expansion. In the last year, \$55 million were distributed. To what extent are other nations in NATO providing comparable assistance to the nine nations seeking to join NATO, and which nations provide assistance that dollar-wise approximates that of the United States taxpayer?

Mr. FEITH. Senator, with your permission, I would like to respond for the record. I do not have the answer off the top of my head.

Senator WARNER. Fine.

[The information referred to follows:]

Almost all NATO allies are providing some level of assistance to the nine nations seeking to join NATO. The assistance covers many different areas, to include:

- Excess military equipment.
- Combat training of military forces.
- Language training.
- Slots at military schools.
- Military advisors seconded to aspirant Ministries of Defense.
- Support of military exercises.

[Deleted.]

As many NATO allies are members of the European Union, we have included EU assistance to the aspirant states in a separate line.

Senator WARNER. I raised that issue the night that I interjected my opposition to the passage of the proposal that Mr. Lieberman discussed. I would like to know what the others are doing, because this had a very significant dollar amount in it as proposed.

To all of you gentlemen, if you want to put it in the record because it is quite voluminous: Give us the views of our allies on NATO expansion in a summary of what each of the other 18 nations feel, each of the other 18 nations, because I think it is important for the Senate to have that information as we begin to proceed, hopefully as a partner, in the deliberations on this expansion issue.

[The information referred to follows:]

Mr. GROSSMAN. [For the administration] All allies support further enlargement and share the U.S. view that the events of September 11 highlight the importance of building the broadest, strongest possible Alliance. A broad consensus is forming behind President Bush's vision of the most robust round possible, for all aspirants that are ready to assume the responsibilities of membership.

I will be travelling to many NATO capitals in Europe April 15–19 to consult further on a common allied approach to the upcoming Prague NATO summit. Enlargement will be a key focus of this trip.

We have encouraged allies not to advocate for specific candidates until we can develop an agreed Alliance consensus. Allies have concurred that the question of "who" should be invited should not be addressed until closer to the Prague Summit in order to give aspirant countries the maximum opportunity to meet their reform goals. We are also seeking to avoid early and conflicting commitments among allies to facilitate efforts to build a NATO consensus.

We will be consulting closely with the Senate in the months ahead on the progress of individual candidates and the views of our allies.

Senator WARNER. Lastly, I will read this one and you can respond for the record. NATO's Membership Action Plan, called MAP, established a program of activities to assist aspiring countries in their preparations for possible future membership in NATO. The MAP states that aspirants would be expected "to settle ethnic disputes or external disputes, including irredentist claims,

or internal jurisdictional disputes by peaceful means in accordance with OSCE principles and to pursue good neighborly relations.”

This is an area of the world, that is the proposed nine aspirants, those nine nations seeking to join, with many ethnic minorities and longstanding border and other internal or cross-border disputes. We all recognize that. What progress have the nine aspirants made with regard to settling such disputes within the framework of the MAP?

I presume that progress has been made. If you can say that much and then place the rest of it in the record. Anyone wish to comment?

Mr. GROSSMAN. I was just trying to think where to start. Senator, I want to go back to your first question, which was what other allies think about expansion. We have asked our allies, and we have tried very hard to live by this rule ourselves, that nobody start choosing particular names until some time later in the year. We want to avoid a beauty contest. We would like to make sure that we continue to get progress from these countries.

What I am about to tell you would be my judgment, which is to say that I believe that the vast majority of allies, certainly all the people I have talked to, are interested in some expansion. I believe there is a consensus forming around President Bush's statement that we ought to do as much as we can and not as little as we can.

I think it will not surprise you also that there will be, as I think Senator Landrieu said, differences in perception between countries in the North and countries in the South. Those are all conversations yet to come. But I believe that there is nobody in the Alliance today who stands up and says it would be the absolutely wrong thing to do. As I say, we have tried very hard to keep ambiguous, for reasons that you would understand. I hope you will support us, and we want as much progress as we can possibly make.

On the second question, yes, I would be glad to respond for the record. I can tell you that in every single one of the visits to the nine countries that Ambassador Burns and his team made this was high on their agenda. I will give you one from the past and one from the future. What we saw between the Czech Republic and Hungary as both of them were getting ready to join NATO was a settlement of some of their disputes, a positive thing. In aspirants, I would cite the very good work that has been done in the Baltic states to deal with people who speak Russian, their Russian minorities, through OSCE and other ways. I am sure there are others, and I would be glad to submit them for the record.

[The information referred to follows:]

Albania:

Albania has no significant ethnic problems within its borders. The Constitution provides for “pluralism” and “religious coexistence” and protects the rights of minorities to “freely express, without prohibition or compulsion, their ethnic, cultural, religious, and linguistic belonging . . . to preserve and develop them, to study and be taught in their mother tongue, and to unite in organizations and associations for the protection of their interests and identity.” A National Minorities Section in the Ministry of Local Government monitors the participation of national minorities in policymaking, both at the local and national levels, while the Office of National Minorities in the Ministry of Foreign Affairs monitors Albania's compliance with international obligations and commitments as they relate to minority issues.

While no recent official statistics exist regarding the size of various ethnic communities in Albania, the ethnic Greek community is clearly the largest minority group

in Albania, estimated at approximately 3 percent of the population. Ethnic Greeks in Albania have complained about the government's failure to recognize the existence of "ethnic Greek towns," to determine the exact size of their population, to utilize Greek on official documents and public signs in Greek areas, and to provide adequate Greek language education. Ethnic Greeks, however, led by their cultural association Omonia, have access to government leaders at all levels and are represented in government, parliament, and other public sectors. Other, smaller minority communities (Vlachs, Montenegrins, Macedonians, Roma and Egyptians) together represent approximately 2 percent of the population in Albania.

Albania maintains good relations with its neighbors Serbia and Montenegro, Kosovo, Macedonia, Italy, and Greece and continues to play a constructive role in the region. The Albanian government has consistently condemned Albanian extremism in Macedonia and southern Serbia, promoted peaceful dialogue and Macedonian territorial integrity, and supported moderate Albanian leaders in the region.

Weak borders continue to plague Albania as crossborder trafficking in weapons, persons, and contraband contributes to regional instability. The U.S. and NATO are presently working with Albania on ways to strengthen its border security.

Bulgaria:

Bulgaria has no outstanding border disputes with any of its neighbors (Romania, Yugoslavia, Macedonia, Greece, and Turkey). Rather, Bulgaria has been actively seeking greater cooperation with neighboring states on such crossing border problems as drug smuggling and trafficking in persons. It has initiated high-level bilateral and trilateral (Bulgaria-Greece-Turkey and Bulgaria-Romania-Turkey) consultations to coordinate on issues of mutual interest.

Bulgarians pride themselves on their tolerance of various ethnic groups and religions, and the country has been an island of ethnic stability in the troubled Balkans. The Armenian and Jewish communities are particularly well integrated. The new government is reviving a council to address ethnic issues, has announced plans to set aside some police academy slots for minorities, and has declared its interest in seeking economic development in areas with large minority populations.

However, as noted in the 2001 Human Rights Report, serious discrimination exists in practice, particularly against the Roma community. Bulgaria's large ethnic Turkish minority (10 percent of the population) is relatively well integrated, though more can be done in this area. The current government includes ethnic Turkish cabinet ministers for the first time. Relations with Ankara (and with Athens) are very good.

Though many Bulgarians believe Macedonians are really ethnic Bulgarians and the government does not recognize a Macedonian "ethnicity," Bulgaria was the first state to extend recognition to the FYROM. Bulgaria has been a staunch supporter of Macedonia's sovereignty and territorial integrity, and has sought to improve economic links with Macedonia both bilaterally and through regional initiatives.

Bulgaria has been concerned about the treatment of ethnic Bulgarians in Serbia, particularly under the Milosevic regime, but has pursued these concerns exclusively through diplomatic means.

Estonia:

Estonia currently has no external or ethnic disputes of note. The OSCE mission established to monitor integration of the Russian-speaking minority (28 percent of the population) in Estonia was closed on December 31, 2001 after determination that Estonia met the criteria for integration. The United States continues to work with the GOE to assist with its ongoing integration efforts.

In March 1999, Estonian and Russian officials initialed a border agreement after 4 years of negotiations. While the GOE is prepared to sign the agreement, Russian officials have held back, citing lack of sufficient support in the Duma for ratification. The GOE continues to await action by the Russian government.

Latvia:

Latvia currently has no ethnic or external disputes of note. Russia has criticized Latvia for not paying sufficient attention to the rights of its ethnic Russian minority (30 percent of the population), however, Latvia has made good progress, demonstrated by the closing of the OSCE mission in Riga on January 1, 2002. Almost all Latvian residents, regardless of their ethnic status, are eligible to apply for naturalization, and Latvia has made naturalization easier over the last year by reducing fees and accepting school certificates in place of naturalization examinations. In addition, Latvia's social integration foundation is operational and making grants for projects designed to bring the ethnic Russian-speaking minority into fuller participation in civil society; Latvia's education, language, and citizenship laws are all in

compliance with international norms, and it has mounted a public awareness campaign to promote citizenship.

Social integration is an ongoing process. Latvia is in the process of amending its election law to remove a requirement that candidates for public office speak fluent Latvian.

Latvia and Russia have initialed a border treaty, but the GOR has not yet submitted the treaty to the Duma, citing insufficient support among parliamentarians.

Lithuania:

Lithuania has no major outstanding ethnic disputes, irredentist claims, or jurisdictional disputes. Lithuania settled its land borders with Latvia in the late 1990s and with Poland in the early 1990s. While only 8.7 percent of its population are of Russian descent, Lithuania has not had problems in the integration of ethnic Russians. A Lithuania-Belarus agreement has been signed, but Belarus has yet to complete the demarcation of its border. Lithuania has signed and ratified agreements on its borders with Russia, but is waiting for Russia to ratify the agreements.

Former Yugoslav Republic of Macedonia:

Macedonia has been a strong promoter of cooperation in the region and strives to maintain good neighborly relations. Through the Southeast Europe Cooperation Process, Macedonia has been a driver for multilateral regional cooperation, especially in the trade sphere.

Relations continue to improve with the Federal Republic of Yugoslavia in the post-Milosevic era. Both sides resolved long-standing differences over their common border in a February 2001 agreement, which delimited their heretofore indefinite and un-demarcated border. We are encouraging the Macedonian government, in cooperation with UNMIK, NATO, and Kosovar institutions of self-government, to take steps to implement the agreement's provision for resolving practical problems of property access and cross-border movement as they relate to the border with Kosovo.

Macedonia's relations with Albania are deepening, and we are encouraging both governments to further strengthen the relationship, especially in the areas of border security cooperation. In March, they signed a Free Trade Agreement. Macedonia's relations with Bulgaria are positive and constructive, as witnessed by a steady exchange of high-level visits. Greece and Macedonia have taken great strides in recent years to strengthen bilateral political, economic, and security cooperation. Talks on resolving outstanding differences over the name continue under U.N. auspices, but this issue has not hindered the continued development of constructive bilateral relations.

With the signing of the Framework Agreement in August 2001 by Macedonia's President and multiethnic government coalition leaders, and the subsequent passage of constitutional amendments called for in the agreement, the foundation has been laid for Macedonia's return to peace and stability in a context of improved civil rights for minority groups. Together with our international community partners, we will continue to work with Macedonia's government, elected representatives, and citizens to move the country back from crisis toward normalcy, achieve full implementation of the Agreement, and restore trust and cooperation among all of Macedonia's citizens.

Slovakia:

Slovakia continues to be committed to good neighborly relations, and has been an active supporter and promoter of cooperation in the region, in particular by means of the Visegrad 4 (V4). In the field of human rights and the protection of people belonging to national minorities, the current government has made significant progress. However, continued close attention will be required for those groups in society most likely to suffer from abuse or discrimination.

Slovakia's stance vis-a-vis the Hungarian "status law," clearly demonstrated its commitment to maintain good neighborly relations. While concerned by what the Slovaks view as a provocative tone coming from Hungary, they nonetheless are committed to resolving the issue via the experts working group rather than in the media. As noted, the V4 is Slovakia's most important vehicle for developing neighborly relations. The V4's main goal remains cooperation in the context of EU accession, but it is also developing an internal dimension in the fields of environment, justice, culture, and recently also certain defense issues. As for Slovenia, Austria, and the Ukraine, there are several issues under negotiation at the working level.

As for human rights, a law establishing a public defender of rights (ombudsman) entered into force on January 1, 2002. The office is to start functioning September 2002. A draft law on equal treatment and the creation of an equal opportunities center remains pending. Regarding treatment of persons belonging to national minorities, the current government undertook a significant number of steps that put in

place a stronger institutional and legislative basis to deal with minority issues. The funding for the plenipotentiary for the Roma community was nearly doubled in 2002. However, serious cases of racially motivated crime, police brutality, and discrimination concerning the Roma continue to be reported by NGOs.

Slovenia:

Slovenia enjoys cordial relations with its neighbors. While there are some as yet unresolved disputes related to borders and ethnic minorities, Slovenia has consistently demonstrated its commitment to pursue peaceful resolutions bilaterally or through multilateral channels.

According to the 1991 census, 23 different minorities make up about 12 percent of the population of Slovenia. Upon achieving independence, Slovenia offered citizenship to all residents, regardless of ethnicity or origin. Slovenia later offered permanent resident status to (non-Slovene) former Yugoslav citizens who had immigrated to Slovenia, but had not taken up the citizenship offer. The Constitution provides special rights and protections including the right to use their own national symbols, enjoy bilingual education, and benefit from other privileges—to the two “autochthonous” minority groups, namely, the Italians and Hungarians. The government of Slovenia continues to work with the Romani community on the implementation of legislation addressing Roma issues. Roma still face problems with housing, education, and unemployment, among others, but the government’s Roma Assistance program, adopted in 1995, is helping. The government is particularly focusing on involving more Roma in education, as the key to progress in other areas.

States of Yugoslav Succession: Slovenia has played a positive role in ongoing discussions among the successor states to the former Yugoslavia. Along with the other successor states, Slovenia signed the framework state succession agreement in June 2001. Macedonia and Bosnia have already ratified the agreement; Slovenia, Croatia and the FRY hope to sign in the near future. Issues remain on the division of financial and other assets and government representatives hold regular meetings toward this end. The two most controversial questions concern some \$600 million alleged to have disappeared from the accounts of the former central bank of Yugoslavia and how to cover outstanding deposits of Bosnian and Croatian account-holders in the former Ljubljanska Banka.

Croatia: On July 2001, Slovenia and Croatia reached agreement on the delineation of their border and on the joint ownership and management of the Krsko nuclear power plant. Both governments have initialed the border agreement, but Croatia subsequently declined to sign, citing a lack of support in its parliament for the agreement. Croatia has suggested setting aside the agreement and submitting the border issue to international arbitration, but Slovenia prefers not to reopen the issue. The government of Slovenia is hopeful that Croatia will choose to sign and ratify the existing agreement. Both governments signed the Krsko nuclear plant agreement in December 2001. Although both have still to ratify it, a joint working group that is to lay the foundations for the establishment of a new company to manage the plant began meeting in January 2002.

Italy: Slovenia’s border with Italy was settled through the Treaty of Osimo, signed by Italy and Yugoslavia in 1975. Slovenia formally undertook the obligations of the Treaty via an exchange of diplomatic notes in 1992. The Treaty additionally acknowledged the right of Italian claimants to compensation for property expropriated in Yugoslavia and the right to protection of the Italian ethnic minority in Yugoslavia and the Slovene minority in Italy. In 1983, Yugoslavia and Italy finalized the Rome Agreement on compensation to Italians who had lost property in Yugoslavia. In accordance with that agreement, Slovenia has been depositing funds into a special account in Luxembourg. Italy has not yet drawn on those funds to compensate its citizens. Some of those entitled to compensation, including some Italian-Americans, have expressed displeasure with the provisions of the agreement and/or its implementation. The government of Slovenia works with the Italian government to ensure that the rights of the Slovene ethnic minority are respected. Slovenia continues to call on Italy to implement Italy’s February 2001 law on the protection of the Slovene minority and to provide bilingual documents, such as ID cards and census forms, where warranted.

Austria: Slovenia enjoys generally excellent relations with Austria. The government of Slovenia works through diplomatic channels to try to ensure that Austria protects the language and other rights of the Slovene ethnic minority. One issue that disturbs the relationship concerns the 1945 decisions by Yugoslavia (the “AVNOJ decrees”) to expel most German citizens or people of German origin and confiscate their property. Some Austrians, such as Carinthia’s Governor Joerg Haider, have demanded that Slovenia rescind these decrees and/or pay reparations to those expelled or their families. In addition, it is much more difficult for these

people (or their heirs) than for others to claim their lost property or compensation for it under Slovenia's 1991 denationalization law.

Hungary: Slovenia and Hungary enjoy good relations. There are no disputes over their border, nor are there serious concerns over the treatment of the Hungarian minority in Slovenia or the Slovene minority in Hungary.

Romania:

Romania seeks to contribute to regional stability by maintaining generally good relations with all of its neighbors.

Hungary: Romania and Hungary maintain good relations, and finalized in December 2001 an agreement to resolve a contentious Hungarian Status Law implementation issue. Romanian-Hungarians are Romania's largest ethnic minority group (7 percent of the population), and in February 2001, the Romanian government (GOR) passed a law that implements a 20 percent clause for official use of another language in constituencies where 20 percent or more of the population speak a language other than Romanian. The ethnic Romanian-Hungarian party (UDMR) signed a protocol with the ruling Social Democratic Party (PSD), and generally votes in support of the government.

Serbia: Romania and Serbia maintain good relations. The GOR supported democratization efforts there in cooperation with the U.S. and the international community, and continues to support re-integration of Serbia into the regional community (i.e., into trade and regional base organizations such as Stability Pact).

Bulgaria: Romania has good relations with Bulgaria, and seeks to strengthen ties and increase cross Danube commerce. Both countries mutually support each other as NATO candidates in the upcoming Prague summit, as well as for eventual EU membership.

Ukraine: Relations are generally good, although occasional disputes have occurred concerning treatment of ethnic Romanians in the Ukraine. Most recently, there have been discussions between the two governments at the expert level to resolve issues concerning education for their respective minorities in the other country. The situation in Moldova has also precluded the launching of the trilateral (Romania, Ukraine, Moldova) commission.

Moldova: Romania seeks to maintain generally good relations with Moldova, but tension has arisen recently subsequent to the communist electoral victory one year ago in Moldova. For the most part, the GOR tends to say little about Moldova, since Moldova is sensitive to statements that might be seen as impinging on its sovereignty. Romania has aligned itself with the EU, the Council of Europe, and the OSCE regarding the situation in Moldova.

Russia: Romania maintains generally good relations with Russia, seeking to ensure that Russia will accept Romania's decision to join any collective security arrangement (such as NATO). Romania also hopes that Russia will return gold deposited in 1916 with the Czar's government.

Regarding internal ethnic disputes, relations with the ethnic Hungarian community are generally good and improving. The GOR strategy on the Roma community is being fine tuned in consultation with the Roma leadership. The GOR and the Roma community admit that the difficulties the Roma face will take many years to fix.

Senator WARNER. At this time I am glad the chairman recognized the presence today of several ambassadors from those nations in the category of aspirants. I and other Members of the Senate and perhaps the House are frequently invited to various functions here in the Nation's capital. I know a person for whom I have high regard, Mrs. Finley, often hosts a number of these informal discussions where Members of Congress have the opportunity to talk with the ambassadors and other representatives from these nations. In every instance in which I have participated, I think it has been done on a very high level, an absolutely superb professional exchange of views. I think that their active participation, be it the ambassadors, defense ministers, secretaries of state, or foreign affairs ministers, it has been done very well. It will continue, I am sure. The intensity is likely to pick up in the months to come. We should encourage it.

I think it would be wise that we do not begin to have a short list developed until we look at the overall issue. I come back to the basic proposition, do we need to get the house more in order before we decide to acquire more teams? You can look at the baseball franchises here in the United States. There is a lot of concern that that house is not in order before they get new franchises.

Thank you, gentlemen, very much.

Chairman LEVIN. Talking about houses being in order, NATO Secretary General Robertson on February 3 in a major speech titled "NATO's Future," after urging the Europeans to get their house in order and to spend more on defense, said that: "The United States must do more, too. Not in terms of soldiers on the ground or aircraft in the air, but in facilitating the process of European defense modernization. By easing unnecessary restrictions on technology transfer and industrial cooperation, Washington can improve the quality of the capabilities available and diminish any problems our forces have in working together."

Secretary Feith, do you agree?

Mr. FEITH. Yes.

Chairman LEVIN. Are those efforts being successfully made?

Mr. FEITH. Yes, we are working on harmonizing export control policies with our allies so that we can have a more open exchange of technology.

Chairman LEVIN. You are not talking rhetoric here.

Mr. FEITH. No, we are talking technology.

Chairman LEVIN. Just one quick comment on missile defense because it is irresistible.

Senator WARNER. That is why I am waiting.

Chairman LEVIN. In that case, I am tempted to make it a very long comment, because I love to have you at my side.

Secretary Grossman, you talked about more realistic appreciation of threats after September 11. I could not agree with you more. I think September 11 gave us a very realistic appreciation of where the real threats lie. We differ as to how to answer that question, but that is the test: What is the lesson of September 11 in terms of realistic threats to us and the likely threats? We will leave it at that. Otherwise we will be here all afternoon.

I think we join Senator Warner in thanking you all for your testimony. Next time you are here together, we will give you a little wider table. We thank again our special visitors for joining us today, and we will stand adjourned. Thank you.

[Questions for the record with answers supplied follow:]

QUESTIONS SUBMITTED BY SENATOR JOSEPH I. LIEBERMAN

NATO-RUSSIA RELATIONS

1. Senator LIEBERMAN. Secretary Grossman, how will the proposed NATO-Russia Council avoid the antagonism that crippled the Joint Permanent Council?

Secretary GROSSMAN. Creating the new NATO-Russia Council will be an important milestone for the new era of Russia's relationship with the West. With the decision of President Putin to advance Russia's interests by seeking cooperation with Euro-Atlantic institutions rather than opposing them, the path was cleared to make NATO an instrument to enhance security for all countries in Europe and North America. Of course, it will be up to the Russian authorities how much use they will make of this opportunity to develop a positive relationship between Russia and NATO.

We are confident that the new NATO-Russia Council will provide for smoother and more effective cooperation between the Alliance and Russia through the substantive issues it will be dealing with and through its procedure.

With its focus undertaking practical, well-defined, mutually beneficial projects the new Council will be built around shared interests of allies and Russia to address commonly perceived security threats. In the struggle against terrorism, in crisis management, on non-proliferation of weapons of mass destruction, but also in the areas of civil emergencies, search and rescue, and scientific cooperation, NATO allies and Russia dispose of useful and important resources to improve security for their mutual benefit. The new Council will build upon the strengths of the existing NATO-Russia cooperation, such as the military cooperation in the peacekeeping missions in Southeastern Europe that has been marked by a professional approach, to develop and achieve well-defined goals. On the procedural side, the new Council "At 20" will allow Russia to participate in the consultation and decision-making process as an equal partner, while not giving Russia a veto on NATO decisions or the ability to restrict NATO's freedom of action.

2. Senator LIEBERMAN. Secretary Grossman, what issues or areas of policy can we say today will remain the exclusive concern of the North Atlantic Council?

Secretary GROSSMAN. Our approach in developing a new mechanism for NATO-Russia relations has been to identify concrete, practical, well-defined projects to serve as the basis for building cooperation between NATO and Russia. The intent is to identify projects of mutual interest to both NATO and Russia where we believe there is a high probability of success. We have deliberately avoided building the new relationship on ill-defined generic lists of issues or areas, which impinge on the key equities of the NATO Alliance.

It is clear to all parties, including Russia, that the work of the new body will in no way inhibit the North Atlantic Council (NAC) from taking a decision on any issue. Russia also understands that the new Council will have no say on core NATO policies and areas such as individual and collective defense (Article V), membership (Article X), and the military planning process, which will remain the exclusive domain of the North Atlantic Council.

A consensus in the North Atlantic Council will be necessary to put and keep any issue on the agenda of the new NATO-Russia Council. Any ally can remove an item from the agenda of the new body at any time. The primacy of the North Atlantic Council in NATO's decisions and actions will not be affected.

Within this framework, our aim is to start with a modest agenda for cooperation and, as a solid record of achievement develops, expand the agenda and with it the NATO-Russia contribution to our larger goal of a Europe whole, free, and at peace that works together to meet the threats to our security.

FOREIGN MILITARY FINANCING FUNDS

3. Senator LIEBERMAN. Secretary Feith, what systems and capabilities are aspirant states buying with U.S. Foreign Military Financing (FMF) funds?

Secretary FEITH. FMF funds provided to aspirant states are used primarily to advance the objectives of Partnership for Peace. These funds allow recipient countries to acquire defense equipment and services that facilitate participation in peacekeeping activities and interoperability with U.S. forces and NATO. FMF funds have been spent on priorities such as the Regional Airspace Initiative/Air Sovereignty Operations Centers, National Military Command Centers, and English language training. In addition, provision of NATO-interoperable equipment such as tactical communications equipment, tactical vehicles, computers, search and rescue equipment, as well as uniforms and individual equipment help to support peacekeeping units and elements that participate in Partnership for Peace activities. Countries have also utilized this FMF to undertake contractor-led reform initiatives suggested by Department of Defense studies, non-commissioned officer and officer development, and personnel management reform. The focus has been to facilitate greater compatibility with NATO, strengthen democratic control of the military, and improve defense planning, budgeting, logistical, acquisition, and data management processes.

4. Senator LIEBERMAN. Secretary Feith, is the administration satisfied that these FMF procurements are optimal in fulfillment of each country's Membership Action Plan?

Secretary FEITH. We are satisfied that the aspirants' FMF procurements are in line with the goals of their respective Membership Action Plans.

While the U.S. and NATO provide specific guidance and recommendations to the NATO aspirants through the Membership Action Plan, any decisions made by the aspirants on the basis of such advice remain national decisions undertaken and implemented at the sole responsibility of the country concerned. We would also note that some of the aspirants have been provided military equipment by other states, which would drive the specific support packages that would be needed by such aspirants.

CONSISTENCY OF ADVICE

5. Senator LIEBERMAN. Secretary Grossman, the U.S. and several larger NATO allies consult bilaterally with partner states about the development of their military capabilities. Are individual partners getting consistent advice?

Secretary GROSSMAN. Yes. In the same way that we confer with allies on the range of issues that come before the North Atlantic Council, we have adopted similar or complimentary messages to deliver to the aspirants regarding necessary reform efforts.

The aspirants have come before the NAC on a number of occasions since they began the Membership Action Plan process. This March and April each aspirant once again is having its progress reviewed. Prior to these meetings, allies review the aspirants' progress and develop consistent messages. It has been our experience that allies share our concerns and are urging aspirants to focus on similar priorities. These include the demonstration of a broad and enduring commitment to democratic values; a clear commitment to a free market economy and continued economic reforms; broad and sustainable public support for membership; continued progress toward meeting all MAP objectives, and the ability to contribute to the security of the North Atlantic area and contribute to NATO's core mission of collective self-defense.

NATO PARTNER GOALS

6. Senator LIEBERMAN. General Ralston, are partner states pursuing (or drawn into) overly ambitious goals, redundancies, or contradictions? How is this coordinated among NATO members?

General RALSTON. There are numerous checks and balances within the NATO PfP Planning and Review Process (PARP) that ensure goals addressed to partners are not overly ambitious, redundant, or contradictory, but instead represent a realistic challenge to nations. The North Atlantic Council established the objectives of PARP to improve interoperability with NATO, increase transparency of defense planning processes, and prepare aspirant nations for NATO membership. The Partnership Goals (PGs) are designed to fulfill these objectives. Partners are discouraged from accepting PGs that represent an unreasonable burden on their national resources.

The many levels of consultation within PARP also help to prevent partners from over-extending their resources or setting redundant goals. First, in the development of PGs, the SHAPE staff consults with the International Staff to ensure the PGs comply with political guidance and to ensure they pose a reasonable challenge. Then, NATO sends a team of military, political, and financial experts to the nations for "bilateral" discussions. One focus of these meetings is to ensure the principle of reasonable challenge is not violated. After the bilateral discussions, the Political-Military Steering Committee (PMSC) holds discussions with the partners in Brussels, prior to the PGs being forwarded to the Euro-Atlantic Partnership Council for approval. Again, partners' ability to resource the PGs is closely scrutinized by the PMSC. Furthermore, the adoption of, or commitment to, specific goals is entirely voluntary. In order to lessen the burden, partners are encouraged to leverage bilateral assistance programs as much as possible in the fulfillment of these goals. In previous PARP cycles, NATO discovered a few nations had been overly ambitious in their acceptance of PGs. This was possibly motivated by their aspirations for NATO membership and their desire to appear to be making an acceptable effort. NATO has sought to correct this problem in the current cycle and most nations have had the number of PGs addressed to them reduced significantly.

CONSENSUS OF ALLIES

7. Senator LIEBERMAN. Secretary Grossman, assuming that we and our allies in NATO would be best served by achieving consensus before the Prague Summit on which aspirant states to offer accession negotiations, how will the United States manage the consultation process over the coming 7 months to achieve such a consensus?

Secretary GROSSMAN. Our goal is to build a strong allied consensus on specific candidates by Prague. All allies support further enlargement, and a broad consensus is forming behind President Bush's vision of the most robust round possible, as long as aspirants are ready to assume the responsibilities of membership. We have encouraged allies not to advocate specific candidacies until we can develop an agreed Alliance consensus. In mid-April, we are beginning those consultations with a visit by Under Secretary for Political Affairs, Marc Grossman, to NATO headquarters in Brussels and the capitals of nine of our allies to discuss matters related to the Prague Summit.

Allies have agreed that the question of "who" should be invited should not be addressed until after the May ministerial at Reykjavik. Instead, we are seeking to keep aspirant countries focused on meeting their reform goals through the Membership Action Plan and avoid early and conflicting commitments among allies.

DIVERGENCE OF VALUES

8. Senator LIEBERMAN. Secretary Grossman, Secretary Feith, and General Ralston, our consultations at the Munich Security Conference earlier this month suggested a significant divide between U.S. and European societies and political leaders about what we have to defend ourselves against. We spent proportionally so much more on defense because, some people assert, we are arming against threats the Europeans ignore. In what respects do you find this depiction of the situation correct or mistaken?

Secretary GROSSMAN. We believe the events of September 11 attest to the enemy we are now confronting. I think the support we have received from our allies both individually and collectively attests to their commitment to help defend our common values. With their contributions to Operation Enduring Freedom, they are proving that commitment by air, by land, and by sea.

Both we and our allies and partners must maintain and enhance the capacity to address today's asymmetric threats, terrorism foremost among them. We are encouraging allies to address key shortfalls through collective investment to ensure the continued ability to defend ourselves in a world that is both less familiar and more dangerous. The Europeans have acknowledged their shortcomings particularly in logistics, strategic lift, personal protection/detection for biological and chemical weapons, and communications—during its recent Capabilities Improvement Conference. Many would tell you themselves that European nations have not done as much as they or we believe necessary to meet their military shortfalls and narrow the growing transatlantic capability gap.

This is why we have included capabilities as one of the main thrusts of the Prague Summit. We are looking for ways by which the Europeans can redress and prioritize these continued shortcomings. Among the options we propose are increased focus and prioritization on the most essential areas capabilities.

Our bottom line is that even with a more concentrated focus, these capabilities can only be achieved with a significant increase in defense spending aimed at capabilities instead of non-deployable force structure. To further focus their efforts and make improvement in capabilities more affordable, we are encouraging allies to consider pooling their resources so that they can do collectively what they are incapable of doing as individuals.

Secretary FEITH. Our European allies broadly share our view of the threats to transatlantic security in the 21st century, including the growing dangers associated with terrorist efforts to obtain weapons of mass destruction. Despite the broad convergence of our views on the threats to the Alliance, we do sometimes disagree with certain allies over aspects of how we—individually or as an Alliance—should respond to those threats. We also see different emphasis among our allies. For example, with the exception of the UK and France, none see themselves in a role as a global military power. As a result, overall European defense spending often reflects a more regional perspective. That said, a number of allies have been willing to contribute to "coalitions of the willing" far from NATO territory, as in the case in Afghanistan today.

The current and projected levels of allied defense spending are a source of concern. Allies will need to make the necessary investments to field a 21st century force, but it is estimated that overall allied defense spending will fall roughly 1 percent from 2001 to 2002. Budgets are unlikely to rise soon because allies are dealing with sluggish economies and continued pressure to increase domestic spending. Moreover, as European officials have acknowledged, their defense budgets produce proportionately much less in terms of real military capabilities than does the United States. Europe's fragmented defense industries and, in some cases, continued invest-

ments in outdated force structures also contribute to some capabilities shortfalls among our NATO allies.

General RALSTON. In one crucial respect, our European allies and friends share our view of the threat—they agree that terrorism must be at the top of the agenda. They put their soldiers—for them, as for us, their most precious asset on the line in Afghanistan. They have provided everything we have formally asked for to support Operation Enduring Freedom.

That said, the Europeans *do* view defense issues differently and spend less money on defense. They choose a different set of priorities with more emphasis on social programs and accept the fact that they will play a much smaller role in world affairs. With the exception of France and the UK, the European nations have chosen to not maintain nuclear weapons and the associated infrastructure.

9. Senator LIEBERMAN. Secretary Grossman, what is the content of your dialogue with allies about this divergence of values?

Secretary GROSSMAN. I believe that the state of the Euro-Atlantic partnership is strong. From East Timor to Sierra Leone, when a crisis looms or fighting erupts, we turn to Europe just as Europe turns to us to bring our combined strengths to bear. Witness the offers of assistance and actions that have flowed from September 11. Our European allies responded meaningfully to the attacks where many of those killed were Europeans. Together with us, our allies instantaneously understood that terrorists struck at the heart of our shared values.

When differences with our allies arise, they tend to arise over means, not ends—over how to accomplish an objective, not the fundamental values that lie beneath.

As I say, many Europeans governments have acknowledged their defense shortcomings and would tell you themselves that they have not done as much as we believe necessary to meet their military shortfalls and narrow the growing transatlantic capability gap. At the same time, our allies stand beside us in NATO, ready and willing to act, as we saw to the unquestioned invocation of Article V following the attacks against their ally, the United States, on September 11.

As NATO adapts to address the different threat environment we have encountered over the past 6 months, it will continue to be the guarantor of security and stability in Euro-Atlantic region for the 21st century. This is not just an American interest, but a view also shared by our allies. By adding new members, developing new capabilities, and nurturing new relationships, NATO will be prepared to meet 21st century challenges and fulfill its mission to protect the freedom and security of its members and continue to promote stability in Europe.

10. Senator LIEBERMAN. Secretary Feith, how do you respond to the assertions that this administration assigns little value to the transatlantic Alliance or inclines to interact with the allies as satellites?

Secretary FEITH. Such assertions are false.

For over 50 years, NATO has been the most successful military alliance in history. As Secretary Rumsfeld has made clear during his meetings with allied counterparts, the U.S. has a vital interest in NATO, which will remain the anchor of America's security commitment to Europe. We value highly our bilateral and multilateral security relationships with our NATO allies and recognize their central importance to peace and security; any suggestion to the contrary is flat wrong.

The value that the administration sees in NATO can be seen by how NATO responded to the September 11 attacks: NATO and our NATO allies responded quickly, loyally and usefully. Soon after invocation of Article V of the North Atlantic Treaty for the first time, NATO took a series of steps to assist us in the war against terrorism. In addition to seven NATO Airborne Warning and Control System (AWACS) aircraft patrolling U.S. skies, individual NATO allies and partners are contributing to the war effort and to the post-Taliban reconstruction and security effort in Afghanistan. Some of the allies' contributions have come through formal Alliance structures and some outside those structures. All those contributions, however, should be appreciated as the fruit of more than 50 years of joint planning, training, and operations within the NATO Alliance.

CAPABILITIES GAP

11. Senator LIEBERMAN. Secretary Grossman, Secretary Feith, and General Ralston, Secretary Grossman stated that the U.S. favors a shorter, more focused agenda than the 58 measures of the Defense Capabilities Initiative (DCI). How should we revise the DCI to prepare for global counter-terrorism operations and bind allied governments to more robust spending?

Secretary GROSSMAN. We believe the events of September 11 have added new urgency to our efforts to enhance NATO's ability to meet the threats of the new global security environment. We believe the capacity for collective action remains the foundation of collective security. Toward this end, we favor a shorter and more focused agenda for the Defense Capabilities Initiative which will address key shortfalls and allow the Alliance to field and sustain more flexible and survivable forces. The Alliance should make capabilities a focal point for the Prague Summit to ensure the quantity and quality of forces necessary to meet today's asymmetric threats, terrorism foremost among them.

To meet this objective, we believe allies should consider specialization, joint procurement, and collective investment. We will also encourage allies to focus their defense spending on key priorities to ensure that the Alliance meets its capability goals.

Secretary FEITH. In many respects, progress toward DCI has been disappointingly slow with only modest progress in fulfilling DCI requirements. In the follow-on program to DCI, we want to keep the message simple and focused. As an Alliance, we need to field real capabilities in four areas:

- Defending against weapons of mass destruction
- Transporting forces promptly to the fight and sustaining them there
- Connecting friendly forces with timely, secure communications and targeting data
- Fielding a more balanced and modern allied contribution to combat operations

Over the next several months, we intend to work closely with our allies to prepare for the Prague Summit and identify tangible, significant capabilities improvements in these four areas. These needed improvements are relevant *to the entire range of NATO missions, including NATO's contribution to the war on terrorism.*

General RALSTON. NATO Secretary General Lord Robertson has repeatedly encouraged improved capabilities along two fronts: more efficient use of available resources, and when necessary, increased funding.

Since the DCI was launched in Washington in March 1999, it has provided much justification for increased defense spending. The DCI was based on the fundamental fighting tasks of move, shoot, communicate, protect, and sustain. Those fundamental skill sets remain as valid for a NATO Article V operation as they do for the global war on terrorism (GWOT). The High Level Steering Group (HLSG) has identified a number of long-standing deficiencies, particularly: strategic air and sea lift, alliance ground surveillance, combat identification, and suppression of enemy air defenses. Another area of concern rests with weapons of mass destruction (WMD). Our experience with anthrax-tainted mail has been a bit of a wake-up call to our allies, who recognize we must address nuclear, chemical, and biological (NBC) defensive capability shortfalls.

The GWOT provides us with another opportunity to highlight these shortfalls. I don't see a need to revamp the concept behind DCI, as those principles are still valid; however, I believe a simplified approach is warranted. Strategic lift is a vital concern shared by all allies; terrorist cells often hide in remote places for the very protection that isolation provides. Precision munitions are vital to prosecute combat operations and to minimize unintended casualties. Communications, particularly compatible, secure communications are critical to coordinating our Alliance efforts. Logistics, especially over the long distances required, demand the small footprint that only light, deployable combat forces possess. Lastly, force protection, particularly NBC protection, must be a top priority.

TECH TRANSFER

12. Senator LIEBERMAN. Secretary Feith, do our defense trade controls and protection of American firms' competitive advantages work against the advancement of interoperability?

Secretary FEITH. In general, no. NATO's European members can close the capabilities gap and increase interoperability significantly through increased investment in strategic lift and intelligence, surveillance, and reconnaissance (ISR) capabilities. European firms offer a wide variety of relevant systems, but our European allies do not always procure them in sufficient numbers. At the same time, comparable American systems are often as readily available to our NATO allies as the non-lift and non-ISR systems we routinely supply to our European allies.

In some cases, exports of certain sensitive ISR systems may be subjected to additional scrutiny by both the executive and legislative branches. While this may complicate the ability of NATO's European members to increase interoperability

through the purchase of U.S.-made systems by adding extra steps, we have generally provided such items to our NATO allies to enhance the Alliance's overall capabilities.

13. Senator LIEBERMAN. Secretary Feith, we have the market power within NATO countries of both overwhelming supplier and overwhelming consumer of military equipment. Please discuss how we are managing the economic, political, and technology impacts on Alliance nations of this imbalance in our favor.

Secretary FEITH. The United States is the world's principal supplier and consumer of military equipment. We export nearly three times as many arms worldwide as our NATO allies combined, and spend more than twice as much on defense procurement.

This imbalance is largely a result of choices made by our NATO allies, who as a group, have opted to spend proportionately less on defense procurement and defense research and development, and together, have settled on less capability and less advanced technology than we feel is necessary. This contributes to the so-called "capabilities gap" between the United States and our NATO allies. The new capabilities initiative that we are working with our allies to implement will help to remedy this imbalance, but insufficient defense spending by our NATO allies remains an issue.

QUESTIONS SUBMITTED BY SENATOR STROM THURMOND

RUSSIA'S NEW ROLE IN NATO

14. Senator THURMOND. Secretary Grossman, according to a February 26, 2002 article in the *New York Times*, after months of internal discussion and dispute, NATO has offered Russia a new form of relationship that will see a Russian ambassador sitting between Portugal and Spain at meetings to discuss and decide significant issues of mutual concern. What specifically will be Russia's role in NATO's military deliberations and how will it influence that process?

Secretary GROSSMAN. In developing the proposal for the NATO-Russia Council (NRC), allies agreed that Russia would not be able to use this new body to restrict NATO's freedom of action (have a veto) and that consensus among the 19 allies will always be required to place any specific issue on the agenda of the NRC and to continue working an issue in the NRC. NATO allies will always be in a position to take a decision on any issue at any time, regardless of the state of discussions in the NRC.

Under these same arrangements, Russian military reps will continue to meet with NATO's Military Committee (MC) to work on an agenda agreed by NATO allies in the NAC, but this will not affect in any way the MC's ability to provide independent military advice to the NAC based on the MC's internal consultations (without the Russians).

EXPANSION OF NATO MEMBERSHIP

15. Senator THURMOND. Secretary Grossman, I understand that during the upcoming NATO Summit in Prague, as many as nine countries are hoping to be invited to become NATO members. What nations does the United States consider the prime candidates for new NATO membership and why?

Secretary GROSSMAN. All allies support further enlargement, and a broad consensus is forming behind President Bush's vision of the most robust round possible, as long as aspirants are ready to assume the responsibilities of membership.

In order to achieve this goal, we are seeking to keep aspirant countries focused on meeting their reform goals through the Membership Action Plan, and have been urging allies not to advocate for specific candidates until we can develop an agreed Alliance consensus. In order to give aspirant countries as much time as possible to implement reforms, we have all agreed that the question of "who" should be invited would not be addressed until the fall.

Before any country is invited, all allies will want to be convinced that its admission will contribute to Euro-Atlantic security and that its commitment to democracy and the rule of law is irrevocable.

NATO'S FUTURE

16. Senator THURMOND. Secretary Feith, with Russia's new role and NATO's enlargement to the East, there is the fear that NATO's military role will be secondary

and politics will take a predominant role since the new nations have little to add in terms of military capability. Do you agree with this assessment? If not, why not?

Secretary FEITH. I disagree strongly.

NATO is first and foremost a military alliance. The Alliance succeeds because it is an organization of shared values, such as civilian control of the military, democracy, and respect for individual rights. Naturally, these values create a need for a considerable amount of policy coordination and political leadership within NATO. In a sense, NATO's military strength derives from its political activities.

NATO aspirants have varying levels of military capabilities based on their inherent sizes and recent histories. Through NATO's Membership Action Plan, the U.S. and NATO have worked with these aspirants to strengthen their militaries through serious reform, planning, and implementation. While some of the aspirants may have a less than robust military capability to provide the Alliance, we are confident that they have pragmatic and achievable plans that will contribute serious military capabilities in the future. Even with limited capabilities, most of the NATO aspirants have demonstrated "allied-like" behavior by providing military support to KFOR, SFOR, Operation Enduring Freedom, and the ISAF.

NATO'S IMPORTANCE

17. Senator THURMOND. Secretary Feith, as the United States focuses on the worldwide terrorist threat and the Pacific region as suggested by the QDR, Europeans are concerned that our role in NATO will diminish. What is your response to these concerns?

Secretary FEITH. These concerns are not valid.

For over 50 years, NATO has been the most successful military alliance in history. As Secretary Rumsfeld has made clear during his meetings with allied counterparts, the U.S. has a vital interest in NATO, which will remain the anchor of America's security commitment to Europe. We value highly our bilateral and multilateral security relationships with our NATO allies and recognize their central importance to peace and security; any suggestion to the contrary is flat wrong.

BOSNIAN POLICE FORCE

18. Senator THURMOND. General Ralston, in your prepared comments regarding Bosnia, you say that the way ahead in Bosnia remains contingent upon the international community. A key provision is the establishment of a competent Bosnian police force and the presence of an international police force. The issue of establishing a police force has been on the agenda for some time. What is the status and why is it taking this long to establish a reliable police force?

General RALSTON. Since 1996, the United Nations Mission in Bosnia and Herzegovina (UNMBIH) has had the responsibility of assisting the Bosnians in establishing the foundation for effective, democratic, and sustainable law enforcement agencies. Their mandate expires on 31 December 2002, and the European Union (EU) plans to fill the police training void with their own police mission (called the EU Police Mission, or EUPM; the EU currently plans a 3-year mission beginning 1 January 2003).

19. Senator THURMOND. General Ralston, how many nations are contributing to the international police force?

General RALSTON. As of 18 February 2002, there were 43 contributing nations to the International Police Task Force (IPTF). The U.S. contribution is 59 officers out of a total of 1,850.

EFFICIENT BASING EAST

20. Senator THURMOND. General Ralston, I complement you on the extensive description of the major basing initiatives and military construction requirements in Europe. It is important that the committee get a better appreciation of these issues since both require a substantial investment. How much support, either cash or payment-in-kind, are the Europeans providing to support our facilities improvement program?

General RALSTON. For Efficient Basing East (EB-E), the Federal Republic of Germany has committed to provide payment-in-kind (PIK) of \$28.0 million for the Brigade Complex consisting of a General Instruction Building, Army Reserve Center, Communications Center, Information Processing System, and an Administration Facility at Grafenwoehr Training Area, GE.

Since the fall of the Berlin Wall in 1989, installation closures and negotiations have resulted in total payments of \$142.5 million to the DOD Overseas Military Facility Recovery Account (DOMFIRA) and PIK made by the Federal Republic of Germany (FRG) totaling \$354.8 million. Additionally, the FRG is providing facilities at Ramstein and Spangdahlem Air Bases that recreate capabilities that the U.S. will return at Rhein Main AB. The new facilities at Ramstein and Spangdahlem equal an additional \$487.5 million worth of projects provided by the FRG as part of the "Quid Pro Quo" agreement.

In summary, the RV and PIK programs have provided key quality of life facilities such as housing, dormitories, and barracks in the early 1990s when there was minimum MILCON funding in the EUCOM AOR. Further, the program continues to provide essential strategic facilities at Ramstein and Spangdahlem Air Bases, key facilities in the future at Grafenwoehr Training Area in support of EB-E, and at other locations throughout the theater.

**PAYMENTS RECEIVED THROUGH RESIDUAL PAYMENT MONETARY COMPENSATION RECEIVED IN
DOD OVERSEAS MILITARY FACILITY RECOVERY ACCOUNT**

Site	Payment (\$000)	Date	Source
Woensdrecht Ground Launch Cruise Missile Site	30,000.0	Oct. 1989	The Netherlands
168 Sites Returned to Germany Prior to 1990	3,026.8	April 1992	Germany
Pfullendorf Communications Tower	49.1	Apr. 1993	Germany
Decimomannu Air Weapons Training	1,676.0	1993	Italy
Facility (3 payments: 1 each from	782.0	1993	Italy
Germany, United Kingdom, and Italy)	2,842.0	March 1995	Italy
Donges Metz Pipeline	32,956.7	Dec. 1994	France
Wildflecken Training Area Targetry Equipment	3,500.0	Dec. 1994	Germany
Holy Loch	680.6	Feb. 1995	United Kingdom
Bremerhaven (Phone Equipment)	124.1	Aug. 1995	Germany
Soesterberg Air Base	31,000.0	Sept. 1996	The Netherlands
Lucius Clay Kaserne	31,700.0	Oct. 1996	Germany
Doerverden Communications Facility	180.0	Mar. 1997	Germany
Duensen Communications Facility	253.0	Mar. 1997	Germany
Koeterberg Radar Relay Site	65.0	Mar. 1997	Germany
Soesterberg Family Housing Annex	11,876.8	Aug. 1997	The Netherlands
Florennes Air Base (18 buildings)	17,600.0	Sept. 1997	Belgium
Mohammedia Storage and Fuel Facility	3,150.0	Dec. 1998	Morocco
Site 54, Israel, (Total \$2M, payable in 4 increments of \$500K, 2 increments received to date.	1000.0	Dec. 2001	Israel
Total	142,462.1¹		

¹ Payment of \$30 million for the return of the Woensdrecht Ground Launch Cruise Missile site, The Netherlands, was received in 1989, prior to the establishment of the "Department of Defense Military Facility Investment Recovery Account." The payment was deposited to the Treasury as a miscellaneous receipt.

MILITARY CONSTRUCTION PAYMENT-IN-KIND COMPENSATION

Germany

	Amount (in millions of dollars)	Date	Source
Quid Quo Pro			
Rhein Main (Ramstein Air Base benefit)	62.5		Germany
Replicate Rhein Main Air Base strategic capabilities (Spangdahlem and Ramstein benefit)	425.0		Germany
Total	487.5		
PIK			
PIK #1 (1 project)	25.5	Apr. 1993	Germany
PIK #2 (12 projects)	110.0	Dec. 1993	Germany
PIK #3 (14 projects)	67.1	Sept. 1994	Germany
PIK #4 (8 projects)	55.0	Nov. 1996	Germany
PIK #5 (1 project)	5.0	Feb. 1998	Germany
PIK #6 (4 projects)	44.4	Dec. 1998	Germany
USAFE PIK (1 project)	8.8	Nov. 2000	Germany

MILITARY CONSTRUCTION PAYMENT-IN-KIND COMPENSATION—Continued

Germany

	Amount (in millions of dollars)	Date	Source
PIK #7 (4 projects)	39.0	Feb. 2001	Germany
Total (PIK)	354.8		

QUESTIONS SUBMITTED BY SENATOR JOHN MCCAIN

TURKEY—NATO ENLARGEMENT

21. Senator MCCAIN. Secretary Grossman, Turkey is a front-line state in the war on terrorism, as was Germany a front-line state during the Cold War. Turkey has made important contributions to securing the peace in Afghanistan and will be integral to any campaign against Iraq. It is also central to our objectives of ending terrorism and promoting democratic stability in Central Asia. Turkey's strong support and active cooperation demonstrate the fallacy our enemies would have the world believe: that our campaign against terrorism is a war against Islam.

For too long, Europe has held Turkey at arm's length. NATO's southeastern expansion would secure Europe's southern flank, enhance stability in the Western Balkans, and end Turkey's strategic isolation for the Alliance. It would help diminish continuing frictions in Turkey's relationship with the European Union (EU). A visionary enlargement of the NATO Alliance to the south combined with the EU's historic expansion to the east would bring about a new and welcome cohesion of Turkey to Europe. The recent joint statement by Greece and Turkey in favor of NATO membership for Bulgaria and Romania is a promising demonstration of how enlargement can positively influence regional dynamics.

Could you share your views on how you believe the administration's agenda for Prague will affect our Turkish allies, and what role they will play in this process?

Secretary GROSSMAN. We believe the U.S. agenda for the Prague NATO summit will work well for Turkey. On membership, the administration favors as robust a round of NATO expansion as possible and understands the argument for geographic balance as NATO enlarges. While decisions will not be made until the fall, Turkey's joint support with Greece in favor of membership for Bulgaria and Romania is noteworthy and will certainly carry weight as NATO members collectively decide which countries to invite to join the Alliance at Prague. On capabilities, we count on Turkey's support to adjust and enhance NATO's ability to deal with the asymmetric threats that the attacks of September 11 brought home. Turkey spends proportionally more on defense than any other ally, and, within the constraints of a difficult domestic economic situation, Turkey is making commendable progress in modernizing its forces. It is our view that deeper, closer NATO relations with Russia and Ukraine will contribute significantly to improvement of the overall security situation in Europe and Eurasia, including Turkey's special areas of interest.

NATO'S SUCCESSES

22. Senator MCCAIN. General Ralston, we live in a new era, and the Alliance has no choice but to adapt to the new threats. Lest we forget, NATO has successfully taken on new challenges before—in the 1950s, when it integrated West Germany; in the 1960s and 1970s, in responding to the Soviet missile buildup; in the 1980s, in working through the INF debate; and in the 1990s, when it brought peace to Bosnia, integrated former members of the Warsaw Pact, and defeated Slobodan Milosevic's tyranny. We are a strong Alliance, and debate within our circles about capabilities, roles, and missions can be healthy.

Despite all the recent hand-wringing about NATO's purpose, I believe the events of September 11 have already served to clarify NATO's role and mission. American leadership within NATO has been enhanced by our leading role in the ongoing war. The terrorist assaults have bound the Alliance more closely together in a tangible way, with NATO assets helping to defend the American homeland and forces of member and aspirant nations working together in Central Asia. I hope it has helped us put aside our previous differences over an emerging, if unrealized, European security identity in favor of NATO's existing security architecture. It has laid a strong foundation for NATO's future relations with Russia.

Could you share your views on NATO's fundamental strengths, and help us put existing differences with the allies over the war on terror in the context of other differences we have successfully overcome in the Alliance's history?

General RALSTON. NATO's fundamental strength is the ability of nations with similar values to reach consensus on tough issues, like those enumerated in the question. Another strength is its set of technical standards and doctrine that can be practiced in exercises to form the basis of interoperability in war. Harmonization of deployed multinational forces is far simpler when commanders can refer back to a common NATO way of doing things. The Defense Planning Process, while not perfect, is a good way of ensuring that NATO has the forces and capabilities it needs to meet the threat in a more coherent way than if each nation did its planning independently. Years of cooperation in these areas have produced the ability to generate effective multinational forces. For example, the war in Afghanistan has been fought with an effective multinational force including participants from numerous NATO allies, even though it is not a NATO operation. The conduct of the GWOT is under American leadership, with varying coalitions supporting us as we operate in theaters around the world. Given the many locations and means of struggle possible, not all allies will agree with our approach all the time. The Alliance needs to agree on its future role in dealing with terrorism, based on a common assessment of the threat. From a military perspective, our allies have many forces that could be brought to bear in situations requiring an international response, for example, consequence management for a WMD incident occurring across borders. The Alliance needs to agree on the best way to take advantage of the capabilities of its members to defend itself against the spectrum of possible terrorist acts. This should not be as difficult a decision process as some of the previous challenges NATO has faced.

VALUABLE CONTRIBUTIONS OF NATO'S NEWEST MEMBERS

23. Senator MCCAIN. Secretary Grossman, when the Senate debated the last round of NATO enlargement, there were many questions about the military and political value of inviting Poland, Hungary, and the Czech Republic to join the Alliance. Yet days after their accession they joined us in going to war against Slobodan Milosevic. Since then, they have been among our staunchest supporters within NATO councils—better friends of the United States than some of our older allies.

I believe the performance and strong support we have received from our newest allies in Warsaw, Budapest, and Prague are instructive as we consider inviting new members to join the Alliance in the next round of NATO enlargement. Could you give us your views on this?

Secretary GROSSMAN. Senator McCain, I could not agree more. Our three newest allies have made consistent and invaluable contributions to the Alliance. The aspirant countries have been demonstrating an equal commitment to cooperative behavior among themselves and have worked closely and well with NATO—in many cases over the past 3 years.

Poland, the Czech Republic, and Hungary have all made good progress and developed forward-leaning plans to continue their defense reform efforts. As you say, all three supported NATO's Kosovo mission from their earliest days as allies, and all three provided immediate offers of support after September 11. In the Balkans, the three together have provided approximately 2000 troops on average in SFOR and KFOR. Each country offers unique capabilities and expertise such as the Poles with demining assets, the Czechs with reconnaissance capability, and the Hungarians with engineering skills.

While all nine aspirants still have important work to do between now and Prague, they also deserve recognition for their reform efforts and for their support in the struggle against terrorism and their participation in NATO peacekeeping efforts in the Balkans. Through the Vilnius Group, they are acting as partners in preparing themselves for NATO membership, not as rivals. In the aftermath of September 11, they all made significant contributions to Operation Enduring Freedom and the International Security Assistance Force, providing overflight rights, access to bases, specialized units, troops for ISAF, and solid political support. Even in the Balkans, the aspirants (except for Albania) have been providing contributions to SFOR and KFOR consistent with their capabilities.

CAPABILITIES OF OUR EUROPEAN ALLIES

24. Senator MCCAIN. Secretary Feith, I have been very encouraged by the President's strong support for a new and far-reaching Atlantic agenda. I fully endorse the President's vision of an Alliance that stretches from the Baltics to the Black

Sea, created by a robust round of enlargement driven not by “how little we can get away with, but how much we can do to advance the cause of freedom,” as he said in Warsaw last June. I share the administration’s determination that even as we work to enlarge the Alliance, we share a mandate with NATO’s existing members to ensure that they are capable of meeting new threats, and that our Alliance is structured to respond to them.

Our fundamental goal at Prague must be to transform what has become a somewhat divisive Trans-Atlantic debate about the role and relevance of our NATO partners in the war on terrorism, into a concrete plan of action to align the Alliance’s purpose of collective defense with the threats of terrorism and weapons of mass destruction. Could you discuss some of the concrete ways we can work with our European partners to develop the specialized capabilities to respond to the new threats.

Secretary FEITH. In many respects, progress in fulfilling DCI requirements has been disappointing. In the follow-on program to DCI, we want to keep the message simple and focused. As an Alliance, we need to field real capabilities in four areas:

- Defending against weapons of mass destruction
- Transporting forces promptly to the fight and sustaining them there
- Connecting friendly forces with timely, secure communications and targeting data
- Fielding a more balanced and modern allied contribution to combat operations

Over the next several months, we intend to work closely with our allies to prepare for the Prague Summit and identify tangible, significant capabilities improvements in these four areas. These needed improvements are relevant to the entire range of NATO missions, including NATO’s contribution to the war on terrorism.

NATO/RUSSIA COUNCIL

25. Senator MCCAIN. Secretary Grossman, like other members of the committee, I am eager to learn more about the proposed operating guidelines of the new NATO/Russia Council. I appreciate your assurances that the North Atlantic Council will maintain deliberations separate from the NATO/Russia Council, and that the North Atlantic Council itself will determine which issues and decisions to bring to the NATO/Russia Council for consideration. I look forward to better understanding how these principles will operate in practice, in order to ensure that NATO’s institutional integrity is not compromised by a well-meaning effort to give our friends in Moscow a meaningful role in our councils. I and other members of this committee will need assurances that this new NATO/Russia body will, as you say, offer Russia the opportunity to participate in shaping mechanisms for cooperation in areas we choose, leaving the North Atlantic Council free to determine when and to what extent Russia will participate in NATO-related actions.

Will you explain in more detail how you foresee the interaction between Russia and NATO once the NATO/Russia Council is established at Reykjavik?

Secretary GROSSMAN. We expect that the new NATO-Russia body will operate as follows:

- The North Atlantic Council (NAC) will decide by consensus whether to put an issue on the agenda of the NATO Russia Council;
- If Russia proposes a topic for discussion or an issue for decision, the NAC will decide, again by consensus, whether NATO can agree to this proposal;
- In either case, whether NATO or Russia put forward the proposal, the NAC will also have to decide for NATO how the issue will be handled, i.e. whether allies will need to pre-coordinate their position or whether no pre-coordination is necessary;
- All allies will have to agree to any decision or action taken by the NATO-Russia Council;
- Moreover, the NAC can, at any time, take a decision on any issue, whether or not that issue is or has been discussed in the NATO-Russia Council;
- Any ally can pull back any issue to “At 19” at any time without revealing its concern or identity.

Building on the expressions of commitment from allies and Russia to forge a new relationship, and operating within these guidelines, we expect that the new NATO-Russia Council, starting with a modest agenda, will focus on those issues where allies and Russia are ready and capable for joint decisions and actions “At 20.”

QUESTIONS SUBMITTED BY SENATOR BOB SMITH

TACTICAL NUCLEAR WEAPONS

26. Senator SMITH. Secretary Feith, in 1991 and 1992, Presidents George H.W. Bush, Mikhail Gorbachev, and Boris Yeltsin announced their intention unilaterally to reduce U.S. and Russian tactical nuclear weapons (TNWs) arsenals—both by reducing the warhead stockpiles and by eliminating some entire classes of these weapons. The current U.S. arsenal of TNWs has been drastically reduced to around 1,670 warheads and there are few concerns about the safety of storage conditions of these weapons. There have also been reductions in the Russian force, but significant uncertainty remains about the size and safety of the Russian TNWs arsenal—estimates of which range from anywhere between 3,500 to upwards of 18,000. In 1997 the United States outlined its concerns about security of Russian TNWs and raised the issue in tandem with bilateral efforts to reduce strategic forces in the context of START III framework discussions. More recently, NATO expressed its concerns about the large number of Russian “tactical nuclear weapons of all types” and has called upon Russia “to bring to completion the reductions in these forces announced in 1991–1992, and to further review tactical nuclear weapons” acknowledging that there could be serious problems with Russia’s tactical nuclear weapons arsenal and the Alliance. Aside from vague references in speeches, however, little of substance has been done by Russia to clarify what it has done to address the concerns about its TNWs arsenal. What are the United States and NATO doing to attain more clarity from Moscow on the status of Russian follow-through on the 1991 and 1992 Presidential Nuclear Initiatives on TNWs, and the status of the current stockpile of the Russian tactical nuclear arsenal?

Secretary FEITH. There are presently no official U.S.-Russian exchanges on the status of the Presidential Nuclear Initiatives (PNIs). In the early to mid 1990s, the Russian Ministry of Defense sent periodic progress reports to DOD about the elimination of tactical weapons returned to Russia from other former Soviet republics. However, these proffered Russian status reports ceased about 1995. President Yeltsin pledged that Russia would honor its PNI pledges by the end of 2000. The Russians stated in multiple venues that, except for the elimination of Ground Forces’ nuclear weapons, their PNIs have been completed.

Moscow has never declared the number of nuclear warheads in the Russian stockpile. While bilateral declarations of stockpiles could become part of some future agreement, Russia has argued that non-strategic weapons are outside the scope of START.

27. Senator SMITH. Secretary Feith, what is the United States doing to ensure the safety and the reduction of Russian tactical nuclear weapons?

Secretary FEITH. The Department of Defense, through the Cooperative Threat Reduction (CTR) program, is working closely with the Russia Federation to prevent nuclear proliferation by improving the safety and security of both strategic and tactical nuclear weapons. Under applicable international agreements, we are working with the Russian Ministry of Defense (MOD) to enhance the security of nuclear weapons storage sites that hold both tactical and strategic warheads. We also are working together to improve the security of warheads during transportation.

In recent years, we have provided “quick fix fencing” and other equipment for storage site improvements, inventory control systems, personnel reliability and safety equipment, emergency response equipment, and guard force equipment. We also conduct railcar maintenance, and your assistance has helped to reduce MOD’s response and recovery times to respond to nuclear accidents or incidents. We are encouraged by the reduction and consolidation of tactical and strategic weapons in Russia by transporting warheads to consolidation and dismantlement facilities. Since the nuclear weapons transportation security project’s inception in January 2000, shipments of nuclear warheads to such facilities have increased to seven or eight a month.

28. Senator SMITH. General Ralston, the threat of a terrorist attack using a nuclear weapon has become more urgent as organized terrorism increases. Russia’s stored TNWs are potentially vulnerable to terrorists or unfriendly nations who will buy or steal them. Compared to the United States, Russians lack stringent, centrally coordinated procedures for ensuring the safety of its TNWs. Russia has an indeterminate number of these weapons, which could pose a proliferation and terrorist threat. TNWs are smaller and more portable than strategic nuclear weapons and some models could be used by terrorists without the authority of centralized command and control oversight mechanisms. What steps are currently being taken by

NATO and the United States to ensure that Russian TNWs are secure and will not fall into the hands of terrorists?

General RALSTON. [Deleted.]

29. Senator SMITH. General Ralston, now that the United States has a better relationship with Russia and both nations are cooperating to prevent terrorism, what is being done to specifically address the proliferation and terrorist dangers associated with TNWs?

General RALSTON. [Deleted.] CTR has promoted non-proliferation through constructive engagement and represents a proactive approach to mitigating the threat of residual Russian nuclear weapons.

COST OF EXPANSION

30. Senator SMITH. General Ralston, the costs of NATO expansion have been estimated as low as \$1.5 billion over 10 years—but I understand RAND and CBO may have had alternative cost estimates that were much higher. Do we have any accurate costs for expansion, particularly for those additional nations that are seeking membership, such as Slovenia and the Baltic States?

General RALSTON. Estimating the cost of NATO expansion depends on the assumptions and parameters chosen, and different assumptions can yield widely varying estimates. EUCOM does not have cost estimates for the potential addition of new members, but DOD is currently studying the cost implications of enlargement to provide to the President for his mandated report to Congress on enlargement. The President is required to report before any decision by the North Atlantic Council to invite any country to join NATO.

NATO AND ASIA

31. Senator SMITH. General Ralston, where would NATO stand on the U.S. meeting any threat in Asia, with Asia still the most likely flashpoint in the world today?

General RALSTON. A NATO operation outside of the Euro-Atlantic area is not excluded by the Strategic Concept of 1999. Precedent for operating outside NATO's immediate borders was set in the Balkans. The position of NATO on an Asian contingency would depend on the circumstances of the threat or conflict the U.S. would meet, in particular to what extent the member nations assessed their vital interests to be at stake. As with the current contingency in Afghanistan, bilateral support from allies would be more likely than an agreement to involve NATO as a whole at considerable distance from the Euro-Atlantic area.

NATO AND TAIWAN

32. Senator SMITH. General Ralston, would NATO support the U.S. with forward deployment of forces, overflight rights, etc., if the U.S. were to intervene to defend Taiwan in the event of a Chinese attack?

General RALSTON. The position of NATO on a U.S. contingency in Taiwan in the event of a Chinese attack would likely be neutral, as it would not involve an attack on a member state. However, individual allies would grant transit and basing rights according to their assessment of their national interest in doing so.

NATO AND IRAQ

33. Senator SMITH. General Ralston, where would NATO stand on military action against Iraq, given NATO's past weak position (except Britain) during Operation Desert Fox?

General RALSTON. I believe NATO's position on military action against Iraq would depend on the evidence that would be produced regarding Iraq's possession of WMD and their intent to use WMD. An attack by Iraq against any member state would be met with overwhelming NATO military action.

[Whereupon, at 12:20 p.m., the committee adjourned.]

